ILLUSTRATION: SHYAM KUMAR PRASAD

Is India's public health spending strategy ill-defined?

By defining a public health spending goal in terms of GDP, we subject that goal to the rise and fall of the entire GDP

RAJEEV AHUJA

The author is a development economist, formerly with the Bill & Melinda Gates Foundation and the World Bank

THE RECENT GDP estimates cast doubt on the Indian economy achieving the $5-trillion goal by 2024-25. Does it also cast doubt on India achieving its public health spending goal that is defined in GDP terms? Before answering this, some background—India has set a goal of raising the share of its public health spending to 2.5% of GDP, or $125 billion, by 2024-25. If the GDP doesn't grow at a desired pace of over 8% per annum, this will likely have implications on the government achieving its health spending goal, too. For example, if the economy were to reach $4 trillion instead of $5 trillion by 2024-25, the amount needed to achieve the health spending goal will also get reduced to $100 billion, instead of $125 billion. But mobilising $100 billion out of a lower GDP of $4 trillion will likely pose a challenge.

Further, the difference of $25 billion for healthcare is huge, particularly when the government has rolled out large programmes like Ayushman Bharat with a commitment to achieving some real targets in a time-bound manner. If the goal is so defined that its achievement can result in significantly different levels of funding, depending on how the economy fairs, have we not defined the goal incorrectly?

Health spending goal

This article argues that health spending goal being wrongly defined is probably the case. Government spending on health comes out of government's total budget, which is only 20-22% of GDP. By defining a public health spending goal in terms of GDP, we subject that goal to the rise and fall of the entire GDP, as explained above. Instead, defining the goal in terms of government total spending probably makes for a much better case. This is because it would indicate what share of government's budget would be devoted to healthcare, regardless of GDP. This is particularly important when one examines why India compares poorly with its peers in its public health spending. Not because India is significantly poorer than its peers. But because Indian government has not prioritised health in its total spending.

However, if one were to consider India's total health spending (both public and private included), then defining a goal in terms of GDP would be absolutely fine. But not so when one is considering only public health spending.

Goal needs a strategy, too

How a goal is defined is one thing, and devising a strategy to achieving the goal is quite another. Going by the National Health Policy 2017 (NHP 2017), India hasn't devised a clear strategy to achieving its health spending goal. NHP 2017 calls upon states to spend at least 8% of their budgets on health by 2020. It's unclear how this strategy, by itself, will help in achieving the goal.

In India, both the Centre and states contribute towards public health spending, with states playing a dominant role. But the contribution of the Centre—which accounts for anywhere from one-third to one-fourth of total public spending—is not insignificant. The NHP 2017 doesn't say anything on the Centre's contribution towards achieving the goal. This point is particularly important as the Centre's health spending is not entirely independent of states' spending. For example, Ayushman Bharat—comprising free hospitalisation cover for the poor as well as establishment of Health and Wellness Centres throughout the country—is co-funded by the Centre and states in the ratio of 60:40 for most states (this ratio is 90:10 for the three Himalayan and the North-Eastern states). Co-funding of this programme, and indeed of the National Health Mission, ties central funding with the states funding for health. Additionally, the Centre has a host of other programmes that are fully funded by it. These facts imply a growing role of the Centre in achieving the health financing goal. A good financing strategy is the one that would define the role of the Centre, too, in addition to that of states.

Setting intermediate milestones

A good strategy would set intermediate goals or milestones so as to connect the dots with the final goal. The only intermediate milestone set in NHP 2017 is that states spend 8% of their budgets on health by 2020. This milestone is not only inadequate, but also ambitious, given that states have been spending less than 5% of their total budget on health in the last 15 years or so. Unsurprisingly, then, that nearly all states will miss the 8% target. Does this mean that we've missed the goal of 2.5% of GDP? We don't know yet, precisely because NHP 2017 does not provide any clear guidance on this.

Recently, both the Union health minister and a senior NITI Aayog officer reiterated government's commitment to achieving the goal, which appears to be a tall order. In the event of missing the goal, which looks highly probable, the blame would fall on states. The basic idea isn't to be able to blame anybody, but to facilitate achievement of the goal. If there were intermediate milestones, those would provide early warning signals and indicate the need for course correction. Unfortunately, no such guidance is contained in NHP 2017.

If the public health spending goal were expressed as a share of government budget, both for the Centre and states, it would have brought greater certainty into it. A gradual increase in those shares would have served as intermediate milestones.

How well any goal, and a strategy for achieving the goal, is defined can itself hinder or promote it. India's public health spending goal is a classic example of this. Taking a cue from this, will the Indian health policymakers make necessary amends? It's not too late yet, as we still have more than five years between now and 2024-25.

SUGAR LUMP

A sickly tale of price distortions

OCEANS OF CLOYING *chai*; coils of sticky jalebi—Indians cannot get enough of the sweet stuff. Already the world's largest consumer of sugar (though with relatively low consumption per person, at 19kg per year, against a global average of 23kg), last year India pipped Brazil to become the world's biggest producer. On September 30, its sugar industry's book-keeping year ends. A reckoning is due.

A production bonanza, spurred by the brief scare of a shortfall in 2016-17 and by higher-yielding sugar-cane varieties, has driven India's output to record levels. This year it is expected to hit 33 million tonnes of crystalline sugar, compared with domestic demand of about 26 million tonnes. The cumulative build-up of sugar means that the mills crushing fresh-cut cane could end up sitting on as much as 14.5 million tonnes. That is thought to be the most sugar any country has stockpiled, ever.

India has long granted sugar-cane farmers special perks. It forces mills to pay sky-high prices for sugar cane and makes it hard for them to import it. Uttar Pradesh, the state with the greatest acreage of cane, sets an extra-generous 'state-advised price', which guarantees farmers a huge return on their basic costs and labour. Thanks to such artificial pricing, processing sugar anywhere in the country is more expensive than in other big producing nations. Mills often don't pay their bills. This month some farmers in Uttar Pradesh are burning their crops in protest at the mills' arrears. Abinash Verma of the Indian Sugar Mills Association notes wistfully that Australian and Brazilian mills buy cane at a price linked to what they can get for the juice, meaning they have healthy margins.

India rigs the sugar market for social and political reasons. The industry is a colossal employer of poor people, in particular in two politically weighty states, Uttar Pradesh and Maharashtra. The average farmer of sugar cane grows it on just 1-2 hectares and so must—the thinking goes—be protected from volatile world prices. Some 35-50 million people are directly employed in sugar-cane cultivation; 7.5% of the rural population depends upon the crop. Complicating things further, sugar barons often become politicians, and vice versa. A survey of 183 sugar mills in Maharashtra between 1993 and 2005 found that most had chairmen who had run for office.

World sugar prices are close to a ten-year low. Despite this India has sold 3.4 million tonnes abroad this year (though that fell short of a target of 5 million tonnes). Indonesia has promised to take more, though talk of shipping sugar-laden barges down riverways to Bangladesh was inconclusive. On August 28, India said it would pay mills a bonus of ₹10.5 per kilo exported, adding up to ₹63 billion.

India thus supports farmers to grow sugar, and then subsidises its export. Far better to follow Brazil's lead and help the industry diversify by using sugar-cane juice to distil ethanol, an alternative fuel. Tarun Sawhney of Triveni Engineering & Industries, which owns seven mills, says investors might be keener on the ethanol industry if the government set out a transparent framework for prices, rather than simply announcing them each year. Mr Verma believes that officials make sure that the price of ethanol tracks that of sugar cane. At which point the logic of price controls—such as it is—reaches a limit. Ethanol is a fuel for cars, not for people.

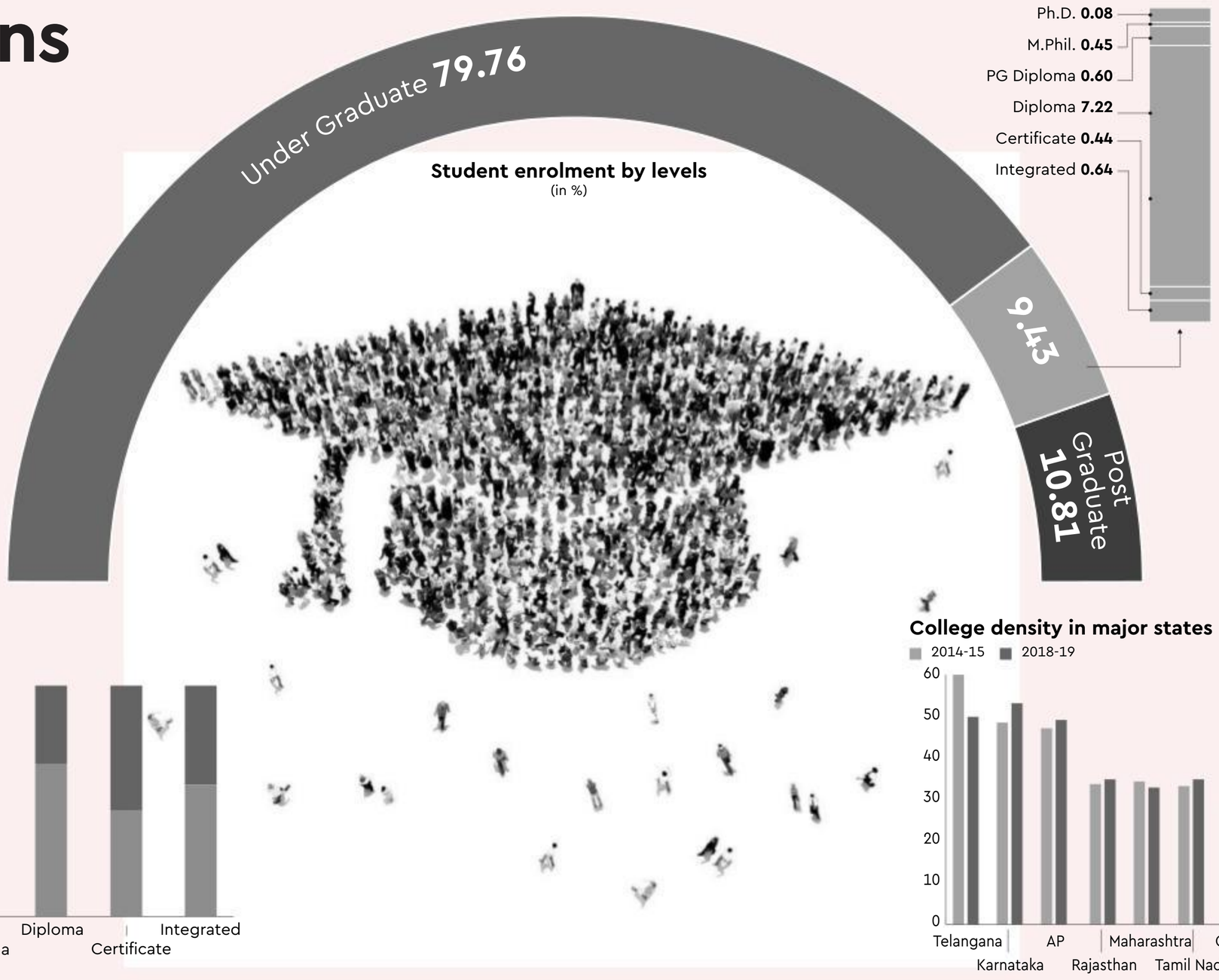
THE ECONOMIST

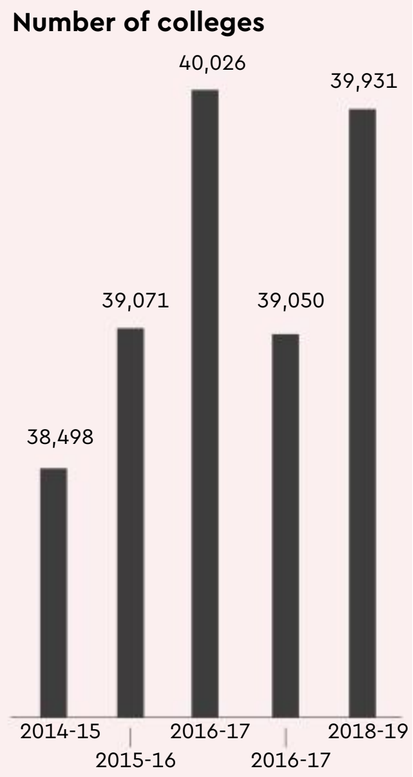
DATA DRIVE

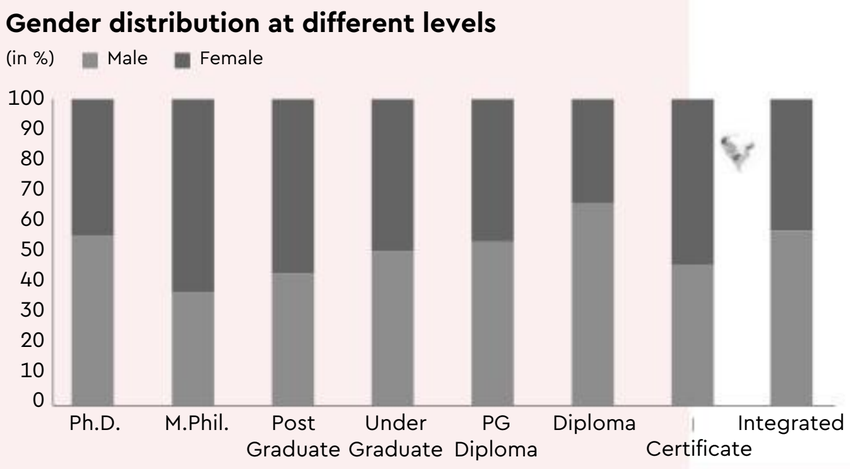
AISHE lessons

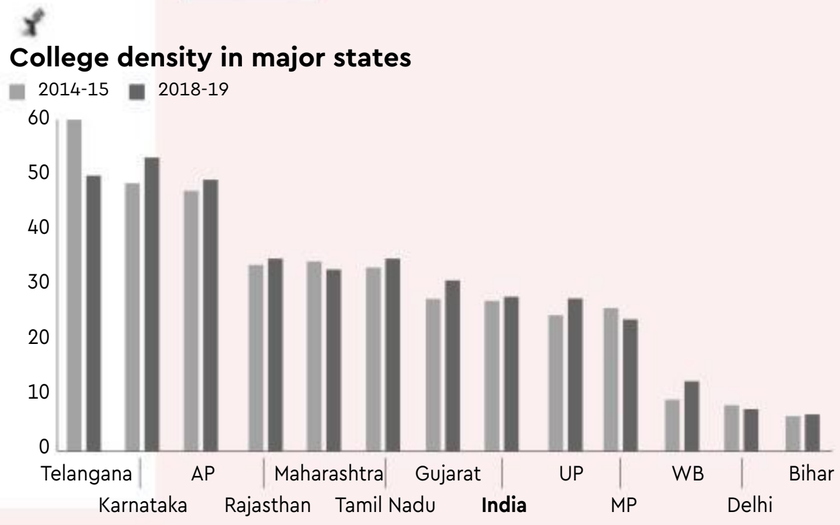
THE ALL INDIA Survey of Higher Education 2018-19 reveals a rather worrying trend—tertiary level gross enrolment ratio (GER) has remained doggedly sticky over 4-5 years. It was 24.5 in 2014-15 and is now at 26.3. In contrast, China was able to improve its GER from 39% in 2014 to 51% in 2017. While there has been healthy addition to the higher education infrastructure—there were just 642 universities in the country in 2011-12 and now there are 993—most of this has been due to the private sector.

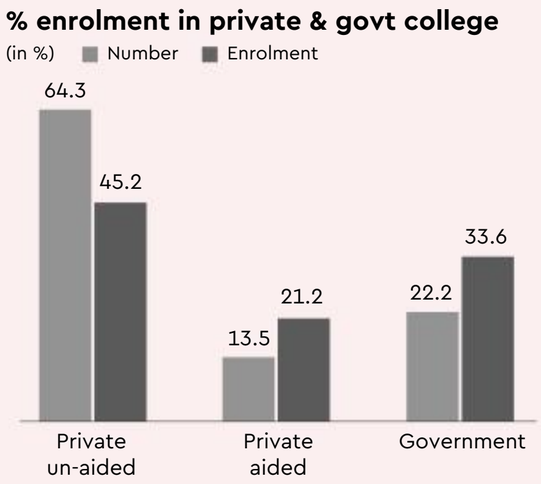
The government must focus on improving the quality of higher education and matching higher education offerings to industry needs. The unemployment rate is the highest for those with university level education, as per CMIE data. So, unless the quality of graduates, post-graduates and doctorates improve, and higher education begins to reflect industry needs, getting more students attracted to higher education and pushing up the tertiary GER seems a tough call.

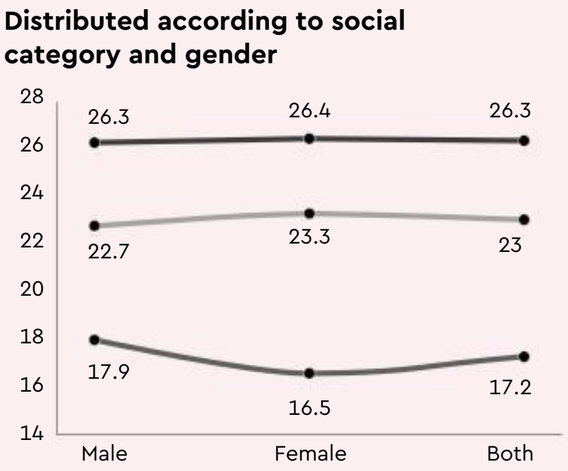


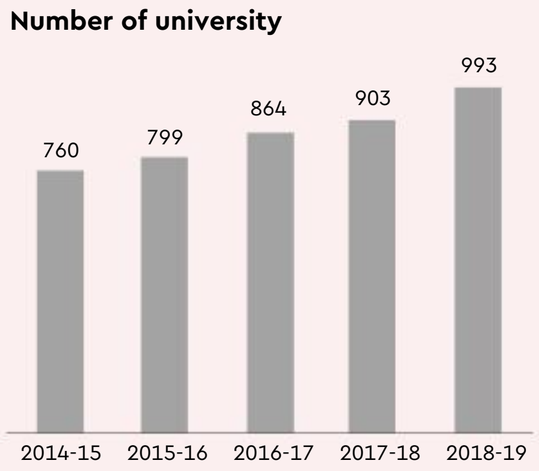


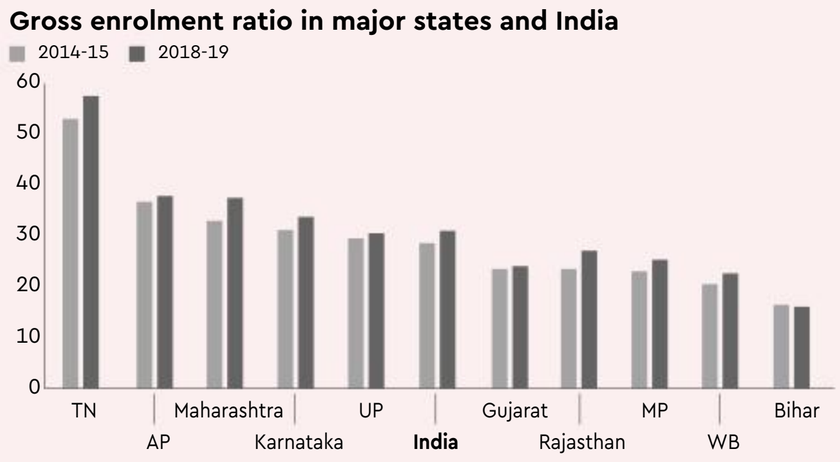












Source: AISHE

Markets

SATURDAY, SEPTEMBER 28, 2019

EXPERT VIEW

The Sensex gained 2% in the week as the market sentiment remained positive after the previous week's government announcement of reducing corporate tax rates... Global markets remained lacklustre though, especially the US markets, which were weak on continued trade tensions with China and initiation of impeachment proceedings against US President Trump

— Sanjeev Zarbade, VP PCG research, Kotak Securities

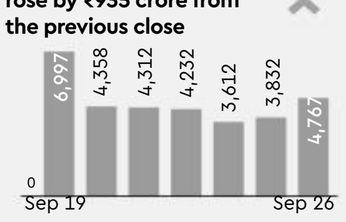
Money Matters

G-SEC

The benchmark yield rose due to selling pressure 0.27%

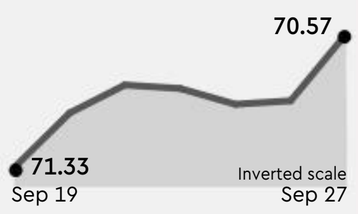
LAF

Bank borrowing under RBI's short-term window rose by ₹935 crore from the previous close 24.40%



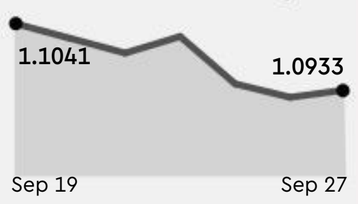
₹/$

The rupee rose due to global cues 0.44%



€/$

The euro fell against the dollar 0.20%



RESOLUTION PLAN

DHFL may issue new 10-year bonds in lieu of existing debt

FE BUREAU
Mumbai, September 27

STRESSED FINANCIER DEWAN Housing Finance Corporation (DHFL) met all the institutional lenders on Friday to discuss the draft resolution plan (RP). While the bank expects the resolution plan to be implemented next week, sources in the the mutual fund industry told *FE* that DHFL has proposed to issue new 10-year bonds in lieu of existing debt. There will be no haircuts but the tenure will be much longer.

A fund manager said, "It was a discussion on the provisional RP and how they plan to repay money to creditors. DHFL is saying that there will be four segments such as retail loans, project loans, SRA projects along with other large development loans. The fund houses will get four sets of bonds that are mapped against these loans." He also added that these new bonds will be for 10 years at a coupon of 8.5%.

On Wednesday, DHFL had conducted a meeting with its bank lenders to discuss the draft resolution plan. Most of the mutual funds say that they can't go ahead with the inter-creditor agreement (ICA) and have an option open to go for litigation if they disagree with the draft RP.

■ On Wednesday, DHFL had conducted a meeting with its bank lenders to discuss the draft resolution plan

■ DHFL met all the institutional lenders on Friday to discuss the draft resolution plan

Officials from Catalyst Trusteeship, part of today's meeting, said, "We were invited to today's meeting and a representative from the organisation did attend as a representative for series where there was sufficient investor approval to accede to the ICA. As for the DRT proceedings, we are in the process of preparing the paperwork on three public issuances."

In the past at least two fund houses — DSP Mutual Fund and IDBI Mutual Fund — had initiated legal proceedings against the DHFL. DSP Mutual Fund had an exposure of ₹150 crore to commercial papers (CPs) issued by DHFL with scheduled maturity on June 25, 2019. The company had made part payments of ₹60 crore on June 25, 2019 and ₹15 crore on June 28, 2019. On September 7, 2019, DHFL had paid the balance amount of ₹75 crore; resulting in complete recovery for the CPs held by various schemes of DSP Mutual Fund. IDBI MF also got its balance CPs amount of ₹12.5 crore from DHFL.

PMC Bank's ₹2,500-crore exposure to HDIL was in excess of RBI norms: Suspended chief

FE BUREAU
Mumbai, September 27

The central bank is likely to raise the withdrawal limit for deposit-holders to ₹1 lakh from ₹10,000 currently, the bank's suspended chief executive said

PUNJAB & MAHARASHTRA Co-operative (PMC) Bank's exposure of ₹2,500 crore to the Housing Development & Infrastructure (HDIL) Group was in excess of the Reserve Bank of India's (RBI) prescribed limits for single-group exposure, Joy Thomas, suspended chief executive of the bank, said on Friday. The central bank is likely to raise the withdrawal limit for deposit-holders to ₹1 lakh from Rs 10,000 presently, he added.

The loans to HDIL had not been reported during the last six or seven years as the management had earlier feared that disclosing the exposure would lead to "a run on the bank", according to Thomas. "We ourselves went to the RBI on September 19 to meet the executive director (ED) Rabi Mishra and appraised him of our situation and asked for some time to regularise the loans," Thomas said at a press conference, adding, "The intention was very clear that we wanted to grow fast and the exposure getting reported could have created a run on the bank."

He further said that the bank had sought time for a resolution plan, which the ED had agreed to, while also saying that the RBI would conduct a normal inspection which was also due. "ED had told us that normally during inspection time you get two months' time till it carries on and we also thought we had time. The next day, the inspecting officers came and collected all the information. On September 23 evening, we got the communication for restraining the depositors," Thomas said.

Thomas held that the RBI could have handled the situation better as the liquidity profile of the bank was stable. "Whatever has happened is not fraud; it is technical in nature and we could have rectified it without affecting the depositors," he said. On the question of how the RBI missed the exposure during its audits and whether PMC Bank had deliberately concealed it, Thomas was cryptic. "I am not going to tell you how it (HDIL's NPAs) got hidden, it is that they (RBI) have not seen," he said.

The decision to lend ₹96.5 crore to HDIL in August 2019 to enable it to stay out of insolvency proceedings initiated by Bank of India (BoI) was taken by PMC Bank in the interest of protecting the security against its exposure to the realtor, according to Thomas. "My point is that admission into NCLT would have led to a very long battle which would have affected us further and that is why we went to RBI. The loans are secured by land and buildings of 2.5 times of the total loans," Thomas said, while admitting that the bank's board was not privy to the decision to extend this loan.

Govt to launch 4th tranche of Bharat-22 ETF on Oct 3

PRESS TRUST OF INDIA
New Delhi, September 27

The issue will open for anchor investors on October 3 and for other institutional and retail investors the next day

THE GOVERNMENT WILL launch the fourth tranche of Bharat-22 ETF on October 3, which will help garner up to ₹8,000 crore from investors, sources said.

They added that the issue will open for anchor investors on October 3 and for other institutional and retail investors, the next day. The investors would get a 3% discount over the issue price.

"The offer is likely to have a base issue size of ₹2,000 crore, with a green-shoe option to retain another ₹6,000 crore, taking the total amount to ₹8,000 crore," a source privy to the development said.

The decision has been taken after receiving robust response for earlier stake sale by the government in the product.

The government has so far raised around ₹35,900 crore through the Bharat-22 Exchange Traded Fund — ₹14,500 crore was garnered in November 2017, another ₹8,400 crore was mopped up in June 2018 and ₹13,000 crore in February this year.

Proceeds from the ETF will help the government meet its disinvestment target of ₹1.05 lakh crore for the current financial year.

Shares of Indiabulls group companies plummet

FE BUREAU
Mumbai, September 27

SHARES OF INDIABULLS group companies plummeted on Friday after the Delhi High Court agreed to hear a petition that alleged financial irregularities in the group entities. Shares of Indiabulls Housing Finance slid 6.1% on BSE and have given up more than half of their value so far in 2019. While the stock of Indiabulls Real Estate tanked nearly 10% to hit its lowest level since March 2016, Indiabulls Ventures slumped 16.9% to mark its biggest single-day fall in over a decade.

Other group companies such as Indiabulls Integrated Services and SORIL Infra Resources tested their lower circuit of 5% on Friday. Interestingly, the lower circuits for both stocks came after witnessing 12 consecutive sessions of upper limits through Thursday.

The fall in stock prices eroded the combined market capitalisation of group companies by ₹3,234 crore on Friday, with Indiabulls Ventures and Indiabulls Housing Finance losing by ₹1,818 and ₹1,084, respectively. Interestingly, the cumulative market value of the group, which stood at over ₹1 lakh crore in August 2018, dwindled by 74% to ₹29,397 crore as on Friday.

The Delhi High Court has also sought responses of the Centre and the Reserve Bank of India (RBI) on a plea that sought an SIT investigation into the alleged illegalities, siphoning of funds and violations committed by the promoters of Indiabulls Housing Finance (IBHFL).

However, Indiabulls has denied allegations in court, saying that the false and fabricated allegations made against the company in respect of loans granted to four business groups fall flat merely on the fact that two of these loans to business groups are fully closed with no outstanding dues, and loans to two other business groups are secured loans granted in the normal course of business and are being serviced regularly as per repayments schedule. Further, the company statement said that these two business groups have no loans or investments of any kind whatsoever in any promoter companies.

Corporate tax cut: Impact of savings to vary from sector to sector, says Icra

THE RECENT CUT in corporate tax announced by the government augurs well for the industry, according to Icra ratings. The impact of the savings would, however, vary from sector to sector, which would determine the benefit to the end consumer by way of price reduction.

According to Icra, tax contribution has been skewed towards few key sectors and high effective tax rates have resulted in certain sectors contributing significantly to overall taxes.

Three sectors — oil & gas, metals & mining and IT together account for close to 50% of the total tax contribution of corporate India.

FE BUREAU

Quick View

IOB gets ₹3,857-cr capital infusion

INDIAN OVERSEAS Bank on Friday informed the stock exchanges that it has received a capital infusion of ₹3,857 crore from the Centre, towards government contribution in preferential allotment of equity shares during 2019-20.

Individual pays over ₹60L to settle case with Sebi

AN INDIVIDUAL has settled a case of alleged insider trading in the scrip of Sabero Organics with Sebi by paying a total of over ₹60 lakh towards settlement charges along with disgorgement of illegal gains.

Sebi levies ₹13L fine on Ybrant Digital promoters

Sebi on Friday levied a total fine of ₹13 lakh on three promoters of Ybrant Digital for failing to make requisite disclosures to BSE as well as the company regarding change in their shareholding in the firm.

BSE to conduct mock trade in various segments today

STOCK EXCHANGE BSE on Friday said it will conduct mock trading sessions for various segments on Saturday.

Longer-term variable rate repo/reverse repo possible substitutes for OMOs

FE BUREAU
Mumbai, September 27

THE RESERVE BANK of India (RBI) on Thursday released the liquidity management framework, in which it said that it would be beneficial to develop alternative tools to achieve durable liquidity impact where outright operations are not feasible or desirable, due to reasons like their impact on yields.

The report released by the internal working group recommended that as an alternative to open market operation (OMO) purchases, longer-term variable rate repos, longer than 14 days and up to one-year tenor, be considered as a new tool for liquidity injection if system liquidity is in a large deficit. Similarly, longer-term variable-rate reverse repos could be used to absorb excess liquidity. As these are possible substitutes for OMOs, these instruments should be operated at market determined rates.

A section of the market believes that the RBI's usage of such tools may lower the central bank's OMO activity — something that always had an impact on bond yields whenever executed.

The central bank does OMO purchases to infuse liquidity in the system where as it does OMO sales to suck the excess liquidity from the system. Sources say that central bank may be of the view that too much OMO activity can impact the yield curve substantially and hence other instruments have to be used.

The RBI said that it would be beneficial to develop alternative tools to achieve durable liquidity impact where outright operations are not feasible or desirable due to reasons like their impact on yields

Dwijendra Srivastava, CIO-debt at Sundaram Asset Management, said that in the recent past, the market has largely seen the RBI to be on the purchase side of OMOs. "Now, if the OMO activity reduces or is replaced by longer term repos, then the salutary impact on bond yields will mitigate to that extent," he said.

In the liquidity report, the RBI indicated that where outright operations like OMOs are not feasible or desirable (e.g., because of their impact on yields), it would be beneficial to develop alternative tools to achieve the durable liquidity impact.

ANALYST CORNER

Consumer durables retail sales show weakness

EDELWEISS

OUR COMPREHENSIVE CHANNEL checks on consumer durables/electrical products to assess overall demand and the impact of slowdown suggest: While retail sales have been weak across segments (white goods, fans, cables & wires, etc) led by weak demand in a lean season, large cooling product brands managed early channel stocking. Despite cost-push and weak retail demand affecting pricing power of brands , FY20 OPMs may not see a drag with companies already resorting to cost control (reduction in ad spends/ other expenses). New construction/ government infra spend is impacting sale of wires, switchgears etc. Our sector top picks are Voltas and KEI given superior long-term growth and scalability and are revising earnings and TP for our coverage factoring in recent tax cuts.

Channel stocking leads to better Q2 even as retail demand tapers. The broad-based economic slowdown and prolonged monsoon is dampening retail sales across durables/light electricals products. Dealers across regions are witnessing a drop in retail sales YoY, except those in the south, which have done better across categories in a lean season. However, our feedback suggests that brand-to-dealer sales were better, particularly in the beginning of the quarter, especially for cooling products (RACs, refrigerators). The light electricals segment, i.e. cables & wires, fans and switchgears, may have seen muted single-digit growth. Festival/summer demand remains a key variable for our 12% growth estimates for 9MFY20E.

Despite weak pricing/cost push significant OPM dent unlikely Intense competition, especially in white goods with brands focusing on market share, coupled with weak demand scenario across categories, is restricting brands' capability to pass through (duty/input cost). Despite this, we believe FY20E margins for the sector will improve by 40-50bps YoY as most players are focusing on cost control.

Voltas, Crompton, KEI lead the pack; weak infra impacts Havells. In the room AC space, market leaders (Voltas, LG etc) with strong distribution networks/ brand franchise continue to outperform as per our channel inputs for Q2. In light electricals, Crompton and KEI seem to be on a stronger wicket.

Maintain 'Buy' with TP of ₹830 on Axis Bank

IIFL INSTITUTIONAL EQUITIES

AXSB ANNOUNCED THE closure of its QIP yesterday, which has led to 7% dilution in equity capital and Rs 125bn addition to net worth. The QIP dilutes AXSB's EPS (4-5%), while BVPS increases (5-8%). This adds ~200bps to CET 1 ratio and offsets the impact of higher provisions in FY20ii. We also build in the impact of the lower effective tax rate (ETR) and the one-time charge on account adjustment to deferred tax assets (DTAs) into our estimates. This restores the RoE to 17.8% by FY22ii, which would have been diluted to 15.9% after the QIP. We remain constructive on AXSB, given its strong liability franchise, capital position, brand and reach versus competition. We value AXSB at 2.25x FY21ii BVPS and maintain our TP at Rs830/share.

QIP to be BVPS-accretive, EPS-dilutive: AXSB has raised Rs125bn of Tier-1 capital through the QIP. It has allotted 198.7mn equity shares, with face value of Rs2/share, at a price of Rs629/share or 1.8x FY21ii BVPS (pre-money). This capital infusion would dilute EPS (by 4-5%) and increase BVPS (by 5-8%) over FY20-22ii. AXSB would not require fresh capital until end-FY22ii and is comparable to large peers like ICICIBC and KMB in terms of capitalisation now.

Tax cuts would lead to an EPS upgrade in FY21/22ii: We build in the impact of the lower ETR going forward, i.e. 25.6% versus 34.9% earlier. This would also necessitate a one-time charge, as the DTA would be recalculated at the new ETR. AXSB had a DTA of Rs76.4bn (FY19), leading to a one-time impact of ~Rs20.4bn in FY20ii, which would outweigh the impact of the lower ETR, leading to an EPS cut of ~14% in FY20ii. EPS for FY21/22ii would increase by ~9% each.

Long term outlook strong; maintain BUY: On a post-money basis, AXSB trades at 1.9x FY21ii BVPS.

INTERVIEW: **SS MALLIKARJUNA RAO,** MD & CEO, ALLAHABAD BANK

'Expect Cabinet nod for all bank mergers will happen simultaneously'

One quarter from the effective date of the proposed merger of Indian Bank and Allahabad Bank would be needed to have combined balance-sheets of the amalgamated entity, says Allahabad Bank MD and CEO **SS Mallikarjuna Rao**. *In an interview with* FE's **Mithun Dasgupta**, *Rao says decisions on diluting his bank's equity stake in Universal Sompo General Insurance would be taken during the amalgamation process. Excerpts:*

What has been the progress on the Allahabad Bank-Indian Bank merger so far?

The boards of directors of the two banks have accorded their in-principle approvals for the amalgamation. Now, the Department of Financial Services has some formalities. It will send the recommendations to the RBI and seek its concurrence. Then it will go to alternative mechanism comprising four Cabinet ministers. Once they clear it, there will be Cabinet nod and gazette notification.

Will the Cabinet approval for all the bank mergers be happening simultaneously?

I expect it will happen simultaneously. I am not expecting the Cabinet approvals to be different for different bank mergers. I am expecting the Cabinet nod will come by October 31. For Bank of Baroda, Vijaya Bank and Dena Bank merger, the gazette notification was given in September 2018, while the effective date was April 1, 2019. What the effective date would be for the merger of 10 public sector banks, we cannot guess. But then at least sufficient time will be there.

For the Indian Bank-Allahabad Bank merger, when do you expect the merged entity to have combined balance-sheets?

It will depend on the record date. For the Bank of Baroda merger, as the effective date was April 1, 2019, on March 31 balance-sheets for all the three banks were different. For this three-way merger, there was a combined balance sheet on June 30, 2019. In the present case, if the government declares the effective date January 31, 2020, balance sheets for March 31, 2020 will be combined. If the government declares the effective date April 1, 2020, we will have combined balance-sheets on June 30. It will depend on how the government will take the date.

Allahabad Bank has been looking to raise capital via dilution of its equity stake in Universal Sompo General Insurance this fiscal. What is the progress on this front?

We wanted to do it prior to March 31, 2019. But we could not take it forward for want of various formalities, including valuation based on March 31, 2019. After valuation we were thinking of diluting the stake. But in the meantime there were some developments. In February we got capital from the government and our bank came out of the RBI's PCA framework. In August, the decision of amalgamation with Indian Bank came. As a result, our stake ownership will be a combined ownership in the days to come. So, continuing these changes, at this point of time we are holding back on this particular stake sale. We hold 28% stake in Universal Sompo, while Indian Overseas Bank holds 18%. Regarding Universal Sompo, we will discuss whatever status of our decision only during the amalgamation process.

Markets chalk up losses in choppy trade, post weekly gains

PRESS TRUST OF INDIA
Mumbai, September 27

EQUITY BENCHMARKS CLOSED with losses after a volatile session on Friday, largely in tandem with other Asian markets, as optimism over the US-China trade talks was offset by rising political uncertainty in Washington.

After swinging 325 points intra-day, the BSE Sensex ended 167.17 points, or 0.43%, lower at 38,822.57. Similarly, the broader NSE Nifty shed 58.80 points, or 0.51%, to end at 11,512.40. However, the indices posted strong numbers for the week. The Sensex advanced 807.95 points, or 2.12%, while the Nifty gained 238.20 points or 2.11% during the week.

Top laggards in the Sensex pack on Friday were Vedanta, IndusInd Bank, Yes Bank, Tata Steel, ONGC, Tata Motors, Sun Pharma, M&M, TCS and Hero MotoCorp, dropping up to 5.39%. On the other hand, Bajaj Finance, Bharti Airtel, ITC, RIL, Kotak Bank and NTPC emerged as the top gainers, rising up to 1.61%.

According to traders, optimism over the upcoming US-China trade talks faded as market volatility increased on concerns over US President Donald Trump's impeachment inquiry, keeping global investors on the edge.

LVB slams Religare Finvest, says committed to cooperating with authorities

FE BUREAU
Chennai, September 27

SLAMMING RELIGARE FINVEST (RFL) for moving the Economic Offences Wing to get an FIR registered against the bank and its directors, Lakshmi Vilas Bank (LVB) on Friday said it is committed to cooperating with the investigating agencies and regulatory authorities in order to bring out the malicious attempts of RFL to mislead the public to cover up massive fraud indulged in by their own promoters, employees and group companies.

The Economic Offences Wing of Delhi had registered an FIR against its board members on a complaint filed by Religare Finvest pertaining to adjustment of its deposits towards the dues of RHC Holding and Ranchem. Terming the RFL complaint as a desperate measure, LVB said mere registration of FIR against the bank does not mean anything, at this stage.

During 2017-18, the bank had adjusted deposit-loans aggregating to ₹794 crore, extended to RHC Holding and Ranchem, the group companies of RFL, against RFL's deposits. Disputing the said adjustment, RFL had filed a suit against the bank in May 2018 before the Delhi HC and the same was being defended appropriately by the bank.

₹ rallies to nearly 2-month high as crude subsides

PRESS TRUST OF INDIA
Mumbai, September 27

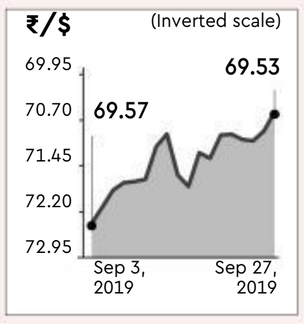
THE RUPEE SPURTED by 32 paise to close at a nearly two-month high against the US currency on Friday, as crude oil prices receded following reports that Saudi Arabia had agreed on a temporary ceasefire in Yemen.

The domestic currency closed higher by 0.44% at 70.56 to the US dollar, a level not seen since August 2 when it had ended at 69.60.

The rupee had opened weak and declined to the day's low of 70.93 in early trade due to a stronger dollar and losses in stock markets.

Easing crude oil prices provided a fillip to the local currency that reversed losses in the mid-session and climbed to an intra-day high of 70.53, before finally ending at 70.56. The local unit notched up gains of 38 paise on a weekly basis.

Global crude oil prices dropped on Friday after reports that Saudi Arabia has agreed to a partial ceasefire in Yemen against Houthi rebels, reducing risk of military action by its allies. Oil production of Saudi Arabia returning to near-normal levels also dragged down oil prices.



Dvara KGFS raises ₹70 crore

DVARA KSHETRIYA GRAMIN Financial Services (KGFS) has raised ₹70 crore from Nordic Microfinance Initiative as part of a 'Series E' round of equity infusion.

A company release said the funding would help it expand its current operations and pursue inorganic growth opportunities and also in scaling up technology infrastructure. **PTI**

SAT reserves order on Gautam Thapar

FE BUREAU
Mumbai, September 27

AVANTHA GROUP'S GAUTAM Thapar moved the Securities Appellate Tribunal (SAT) against the Securities and Exchange Board of India's (Sebi) order barring him from capital markets, claiming that the principle of 'natural justice was wholly and directly violated'.


Gautam Thapar

After hearing arguments on Friday from Thapar's counsel, along with representatives from Sebi and CG Power and Industrial Solutions, the tribunal reserved its order. Thapar's appeal follows an 'ex-parte' order from Sebi that debarred CG Power's ex-chairman Gautam Thapar from accessing the securities market for alleged irregularities, including diversion of money. The market regulator also barred VR Venkatesh (chief financial officer), Madhav Acharya and B Hariharan (former directors) from capital market.

At Friday's arguments, Janak Dwarkadas, senior counsel to Gautam Thapar, stated that their case was based on the principle that natural justice was wholly and directly violated. He also indicated that the basis of Sebi's order was based on an investigation report commissioned by CG Power but full of disclaimers.

He further stated that the report flagged off nine particular related-party transactions, which it stated were not authorised. He claimed, however, that the transactions were in fact run by the Risk and Audit Committee (RAC), which the investigation report made no mention of.

Explaining the timeline of events, Dwarkadas said Sebi began investigations on August 20 and claimed to have met the company officials on August 22. Thereafter, on the 28th, notices were sent to the appellants at different times requesting comments. Dwarkadas claims that the appellants then wrote back requesting more than 24 hours to prove their case that the transactions had been authorised by the RAC but was ignored.

To be sure, at this juncture, the bench noted that in an ex-parte order, it was not required to give the appellant an opportunity to present their case.

The parties have 21 days to file their replies to the order.

Forex reserves decline by $388 m to $428.57 bn

PRESS TRUST OF INDIA
Mumbai, September 27

INDIA'S FOREX RESERVES declined by $388 million to $428.572 billion for the week ended September 20 due to a slide in core currency and gold assets, the Reserve Bank of India said on Friday.

The overall reserves had declined by $649 million to $428.960 billion in the previous reporting week. They had touched a life-time high of $430.572 billion in August this year.

In the week to September 20, foreign currency assets, a major component of overall reserves declined by $125 million to $396.670 billion, the RBI said.

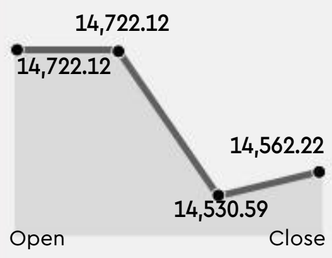
Expressed in US dollar terms, the foreign currency assets include the effect of appreciation or depreciation of non-US units like the euro, pound and the yen held in the foreign exchange reserves.

During the week, the value of gold reserves declined by $259 million to $27.843 billion, making it the second consecutive week of decline in the value of the precious metal held by India, according to the data.

Street Signs

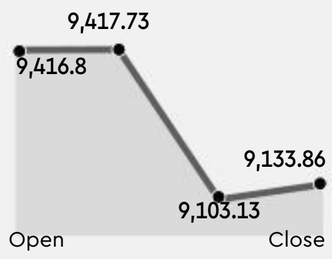
BSE Oil & Gas

Index declines after heavyweight ONGC closes lower **1.17%**



BSE Metal

Index falls as Vedanta and Tata Steel end down **5.70%**



September 24

INDIAN BASKET CRUDE

$63.61 BBL

₹4,506.45 BBL

EXCHANGE RATE

₹70.85/$

PRICE POINTS

September 27

	Del	Mum	Kol	Blr
Rice	34	30	30	52
Wheat	24	35	NR	36
Tur dal	97	89	88	88
Potato	25	22	14	32
Sugar	40	41	41	38
Mustard oil	120	118	100	132

Price in ₹/kg for Delhi, Mumbai, Kolkata and Bengaluru Source: Dept of consumer affairs

Quick View

Malaysia, India tie up for sustainable palm oil trade, production

THE SOLVENT EXTRACTORS' Association (SEA) of India on Friday signed an agreement with the Malaysian Palm Oil Board (MPOB) and Global Sustainability support organisation-Solidaridad Network Asia (SNAL). The aim of this memorandum of understanding (MoU) is to jointly promote Malaysian Sustainable Palm Oil (MSPO) and Indian Palm Oil Sustainability Framework (IPOS) through harmonisation between the two national standards, SEA president Atul Chaturvedi said at the Globoil annual conference in Mumbai. It would lead to the joint promotion of IPOS aligned MSPO certified palm oil to Indian markets and support small holder palm oil producers in Malaysia to produce sustainably, he added.

Delhi govt to sell onion at ₹23.90/kg, says Kejriwal

THE DELHI GOVERNMENT will sell onions at ₹23.90 per kg in the city from today, chief minister Arvind Kejriwal announced on Friday. Kejriwal said onions will be sold at 400 ration shops and through 70 mobile vans in all the assembly constituencies in the national capital. Each person will be entitled to a maximum of five kg and the sale points will operate from 10 am to 5 pm. The chief minister said in retail, onion is currently being sold at ₹60-80 per kg. The government will procure one lakh kg of onions from the Centre over the next five days, he said. "To bring onion prices under control, the Delhi government has decided to procure onions from the Central Buffer Stock Exchange through Nafed and sell it at a retail price of ₹23.90 per kilogram, starting tomorrow (Saturday)," Kejriwal said.

Govt stops import grant for exporters of gold coins

THE GOVERNMENT HAS withdrawn incentives being given to exporters of gold medallions and coins for import of raw material, according to a notice by the commerce ministry. "Advance Authorisation shall not be issued where items of export are gold medallions and coins or any jewellery/articles manufactured by fully mechanised process," the Directorate General of Foreign Trade (DGFT) said in a notice. An Advance Authorisation is issued to allow duty free import of inputs, which are physically incorporated in export products. DGFT is under the commerce ministry.

SPURT 28% ON FRIDAY

Oil shipping rates soar as US sanctions rattle crude trade

Friday's jolt left shipping rates springing back to levels not seen since mid-September drone and missile strikes on key Saudi Arabian oil production facilities

FLORENCE TAN & CHEN AIZHU
Singapore, September 27

KEY OIL FREIGHT rates from the Middle East to Asia rocketed as much as 28% on Friday in a global oil shipping market spooked by United States sanctions on units of Chinese giant COSCO for alleged involvement in ferrying crude out of Iran.

In what the State Department called "one of the largest sanctions actions the US has taken" since curbs were re-imposed on Iran in November last year, two units of COSCO were named alongside other companies in claims of involvement in sanctions-busting shipments of Iranian oil.

The surprise move, affecting one of the world's largest energy shippers, operating more than 50 supertankers, comes as US President Donald Trump seeks to exert maximum pressure on Iran to drop nuclear programmes.

As some Asian oil buyers rushed to secure vessels, rates for chartering supertankers, or very large crude carriers (VLCCs), to load crude oil from the Middle East to north Asia in October surged nearly 19% overnight to about 75-76 points on Worldscale, an industry tool used to calculate freight charges, shipping and industry sources said.

That means an increase of about $600,000 per ship, a Singapore-based crude oil trader said.

The rates for loading Middle East crude to west coast India in the second week of October jumped 28% to 80-92.5 points after Reliance Industries booked two supertankers overnight, industry sources said.

But there was also uncertainty over how widely the sanctions on the COSCO units — COSCO Shipping Tanker (Dalian) Co and its subsidiary COSCO Shipping Tanker (Dalian) Seaman & Ship Management Co — will be implemented.

COSCO Shipping Tanker (Dalian) owns and manages at least 36 tankers for crude and refined products, including 18 VLCCs, according to shipping sources and Refinitiv data.

At least three ships linked to COSCO Shipping Tanker (Dalian) scheduled to load oil from the United States and Brazil were cancelled, oil and shipping sources said.

"There's confusion in the market for those who has fixed the COSCO's vessels. Everyone wants to avoid exposure to US sanctions," a Singapore-based trader said.

Provisional bookings for VLCCs Cosmerry Lake and Yuan Qiu Hu to load US oil in the second half of October were scrapped.

Cosmerry Lake, owned by Cosmerry Lake Maritime and managed by COSCO Shipping Tanker (Dalian), is floating off the US Gulf. Yuan Qiu Hu, owned and managed by COSCO Shipping Tanker (Dalian), is on its way to the US Gulf.

A third COSCO-linked supertanker was chartered to load in Brazil, but it has been replaced by another vessel, a source with knowledge of the matter said.

When contacted by *Reuters*, an official at COSCO said the impact of the sanctions was being examined internally and declined to comment further. —REUTERS

Oil imports from US jump 72%, Iraq top supplier

PRESS TRUST OF INDIA
New Delhi, September 27

INDIA'S CRUDE OIL imports from the US have jumped by over 72% in the first five months of the current fiscal as the country looks to diversify oil purchases beyond its traditional suppliers in the Middle East, official data showed.

According to data sourced from the Directorate General of Commercial Intelligence and Statistics, the US supplied about 4.5 million tonne of crude oil during April to August 2019 as compared to 2.6 million tonne oil sourced from that country in the same period a year back.

Iraq continues to be India's top crude oil supplier, meeting close to one-fourth of the country's oil needs. Iraq sold 21.24 million tonne of crude oil to India during April to August, almost 12% more than 18.99 million tonne it had supplied in the same period of the previous fiscal.

India provisionally imported 91.24 million tonne of crude oil in April-August 2019, down from 93.91 million tonne a year back.

Saudi Arabia has traditionally been India's top oil source, but it was for the first time dethroned by Iraq in the 2017-18 fiscal year. Saudi Arabia, which has since then been relegated to the second spot, exported 17.74 million tonne of crude oil, up from 15.66 million tonne in the previous year.

India stopped importing crude oil from Iran following the reimposition of economic sanctions in May by the US, pushing down imports from the Persian Gulf nation to just 2 million tonne from 13.3 million tonne in the previous year, according to the data.

Nigeria grabbed the third spot vacated by Iran. The African nation supplied 7.17 million tonne of crude oil in April-August, up from 5.81 million tonne a year back. It was followed by the UAE with 6.4 million tonne of supplies and Venezuela with 6.17 million tonne of sales.

US supplies to India were higher than Kuwait's 4.2 million tonne sales and 3.3 million tonne by Mexico.

The US, which began selling crude oil to India in 2017, is fast becoming a major source.

Supplies from the US jumped more than four-fold to 6.4 million tonne in the 2018-19 fiscal year. In 2017-18, the first year of imports from the US, the supplies were at 1.4 million tonne.

Iran was India's second-biggest supplier of crude oil after Saudi Arabia till 2010-11, but Western sanctions over its suspected nuclear programme relegated it in the subsequent years.

Push to agri exports: Counsellors appointed in 10 major destinations

PRABHUDATTA MISHRA
New Delhi, September 27

THE GOVERNMENT HAS appointed agriculture counsellors in 10 countries, including the US and China, to boost India's agricultural exports, given the plan to double these to $60 billion by 2022. These countries have been selected based on their current level of imports from India — all of them are among the top five destinations in one or more agri products under 37 categories identified for export push.

"Now, the ministry of external affairs has designated one officer each in 10 selected missions as agriculture counsellor. The next action would be to send experts to those places," a senior government official said. Based on performance evaluation, more countries, particularly in Europe, will be included under this programme, the official added.

Vietnam, the US, UAE, Bangladesh, Nepal, Saudi Arabia, China, Iran, Malaysia and Japan are the destinations where one officer in Indian embassy will exclusively deal with promoting the country's agricultural exports. In 2018-19, UAE was among the top five buyers of India's agri products in 19 categories, according to data maintained by the Agricultural and Processed Food Products Export Development Authority (Apeda).

Vietnam was India's top export destination in buffalo meat having over 47% share in the country's total export of this product valued at $3.6 billion in 2018-19. It was also one of the top buyers in groundnut, maize and poultry products. Similarly, the US was among top five countries in India's exports of floriculture, cucumber and gherkins, guargum, honey, cocoa products, fruits and vegetable seeds, walnut, processed fruits, juices and nuts, pulses, jaggery and confectionery and mango.

China is the second biggest country to buy Indian guargum, after the US. In other products, China's current share is not that much, but an agriculture counsellor in Beijing will help India to expand the market there, officials said.

India's agriculture products exports (37 categories under Apeda) were $18.7 billion in 2018-19, same as in the previous year. After high-growth in the previous years, the export growth has fallen in recent years.

According to the Agriculture Export Policy, 2018, approved by the Cabinet last year, the government's initial target is to double the shipments to $60 billion by 2022 and take it further to $100 billion in the next fewyears with a stable trade policy regime. After that, the Ashok Dalwai committee on doubling of farmers' income had recommended "an aggressive strategy for developing international agricultural trade with the aim to achieve the target.

The Dalwai committee had said: "Indian embassy/high commission system should include the post of Advisor (Agri-trade) to be filled by domain experts/experienced development administrators/policy makers in agriculture and allied areas, of suitable seniority. These trade experts would be tasked to monitor the market conditions in their host countries, interact with traders and exporters in India and assist in resolving their market access issues."

Amid US-China trade war, Indian tanners eye American market

FE BUREAU
Kolkata, September 27

AMID THE US-CHINA trade war, Indian leather goods manufacturers are looking at an opportunity to increase trade with the US as Prime Minister Narendra Modi strives to revive the Generalised System of Preferences (GSP) for trade with America.

According to Ramesh Juneja, president of the CLC (Calcutta Leather Complex) Tanners Association, Chinese leather goods attract 32% duty in the US. "Our exports to the US attract only 8% duty and this may become zero if the GSP is revived," he said.

West Bengal finance, industry and IT minister Amit Mitra said at an India Trade Promotion Organisation (ITPO) programme that India's trade with the US in leather goods is only worth $1 million annually compared to China's $32 million. "We have all the opportunity to get access to the US market," he said.

In India, 2,016 million units of leather accessories and 1,900 million pairs of footwear are manufactured every year. Of these, 43% are made in Kolkata.

Bantala or Calcutta Leather Complex is fast growing into the world's largest leather goods manufacturing hub with the gradual shift of Kanpur leather industry to Kolkata, Mitra said.

The Kolkata Port Trust's marketing division has a hand in bringing Kanpur leather units to Kolkata and draw a chunk of leather cargo to the port.

Bantala houses 370 tanneries on 205 acres and 60 leather goods manufacturing units on 30 acres. For 30 companies which have shifted from Kanpur to Kolkata, 9 more acres have been allocated. Around 80 acres of land will be required for 100 more units which are willing to shift from Kanpur to Kolkata and in the next two years, there will be 300 more tanneries operating in Bantala, attracting an investment of ₹80,000 crore. Jobs in Bantala will go up from the present 2.2 lakh to 5 lakh and the turnover of Calcutta Leather Complex in Bantala should touch a whopping ₹30,000 crore, Mitra said.

Calcutta Leather Complex registered a turnover of ₹13,500 crore in FY19 and has been the most successful among the 100 industrial clusters set up by West Bengal Industrial Development Corporation (WBIDC).

At present, the state is focusing on a cluster at Panagarh which has been set up for units manufacturing building material. Mitra, at a CII programme, said 35 items for building are made in West Bengal but there are 25 items that have to be brought from outside. Since housing and realty sectors are moving in a big way and 97% of the space has been occupied in malls, West Bengal is the ideal location where building material manufacturing units should come up, Mitra added.

With 7% excess rainfall, India likely to have 'above normal' monsoon this year

PRESS TRUST OF INDIA
New Delhi, September 27

WITH 7% MORE rainfall than usual this year, India is likely to have an 'above normal' monsoon season which will be officially ending on September 30, according to data.

The four-month monsoon season officially begins on June 1 and ends on September 30. It starts withdrawing from west Rajasthan beginning September 1, but this year it has shown no such signs, officials said.

Of the 36 meteorological subdivisions, 11 have recorded "excess" rainfall this season, data showed.

"Until Friday, the rainfall was seven per cent more than normal and it is unlikely to go down by two per cent in the next two days as we are expecting good rainfall in some parts of the country," said Mritunjay Mohapatra, Director General of the India Meteorological Department (IMD).

Rainfall between 96% and 104% of the Long Period Average (LPA) is considered as 'normal', while that between 104% and 110% of the LPA is classified as 'above normal'. LPA is the average of rainfall between 1951 and 2000, which is 89 cm.

The central India division, comprising Maharashtra, Gujarat, Goa, Madhya Pradesh, Chhattisgarh, Odisha, has recorded 26% more rainfall. The south peninsula division, comprising Puducherry, Andaman and Nicobar islands, the Lakshdweep, Tamil Nadu, Karnataka and Kerala, has recorded 17% excess rainfall.

The east and northeast, and northwest divisions have recorded deficiency of 16% and 6%, respectively.

The Northeastern states, West Bengal, Bihar and Jharkhand make up the east and northeast India division. The northwest India division comprises Delhi, Haryana, Jammu Kashmir, Uttar Pradesh, Rajasthan, Uttarakhand and Himachal Pradesh.

Sterlite plant closure: India to remain net importer of refined copper in FY20

FE BUREAU
Chennai, September 27

WITH UNCERTAINTY LOOMING large over the early reopening of Sterlite Copper's smelter plant at Tuticorin in Tamil Nadu, coupled with increasing demand for the commodity from various sectors, India will continue being a net importer of refined copper during current fiscal of FY20. The refined copper production for the current fiscal is expected to decline further by 1.5% from FY19 level, said Care Ratings in its research report on Friday.

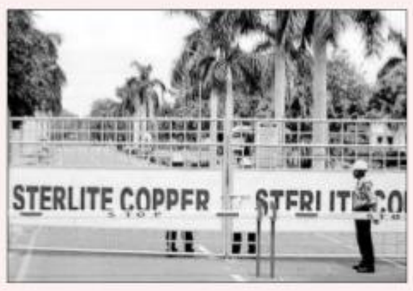
Domestic production of refined copper had grown at a CAGR of 9.6% during financial years 2015 to 2018 from 762,000 tonne to 848,000 tonne. Due to closure of 400,000 tonne per annum Sterlite Copper smelter, the production fell by 46.1% during FY19 to 457,000 tonne. The Tuticorin smelter, which had to be closed due to environmental concerns and death of 13 people in May 2018, accounts for 40% of the country's copper smelting capacity.

Refined copper production had also fallen during FY19 as output from Hindustan Copper and Hindalco was also low due to planned shutdown of its smelters during the first half of the year, the ratings agency pointed out.

With the uncertainty surrounding Sterlite Copper's remission, it is believed that by the end of FY20, refined copper production will be around 450 KT, registering a 1.5% drop from its FY19 level of production. Production of copper for the April-July period is estimated to be around 167,000 tonne.

Demand for the domestic copper market is dependent largely on the electrical & telecommunications (56%), building & construction (8%), automobiles (11%) and the consumer durables segments (8%). We estimate domestic refined copper demand to increase by 7-8% (including consumption of scrap) by the end of FY20, the ratings agency further said.

The growing demand from the power sector, the government's thrust on renewable energy and increasing demand from households for consumer durables will add onto the demand for copper in India. Manufacturing of hybrid and electric cars will also augment the consumption of copper as EVs use 4 times more copper than traditional internal combustion engines. Due to the increase in demand, India will continue being a net importer of refined copper during FY20 as well, unless the Madurai court passes the judgement for the remission of the Tuticorin smelter, Care Ratings further said.



India has emerged as an importer of copper ore and concentrates and imports more than 90% of its concentrate requirements due to the lack of copper mines in the country. Imports of copper ore and concentrates fell by 44.6% during FY19 due to the lack of requirement from the Tuticorin smelter. India used to be a net exporter of copper cathodes till FY18. Now, with the closure of the Tuticorin smelter, the drop in domestic production has led to the domino effect of increasing the country's imports and decreasing its exports. India has become a net importer of refined copper after 18 years.

According to Care Ratings, during FY19, exports had fallen by 87.4%, (against an increase of 12.3% in FY18), whereas imports increased by 131.2% (against increase of 35.6% in FY18). India imported refined copper from Japan (71%), Congo (6%), Singapore (5%), Chile (4%), Tanzania (4%), UAE (4%) and South Africa (3%) and exported refined copper to China (75%), Taiwan (13%), Malaysia (5%), South Korea (5%) and Bangladesh (2%) during FY19.

Share of exports towards China has increased, from 63% during FY18 to 75% during FY19 and share of imports from Japan has increased from 68% during FY18 to 71% during FY19.

We see the demand for copper in the electrical segment to grow via infrastructure sector. The PMAY scheme will be the driver of consumption for copper in the building and construction sector. The PMAY-G scheme aims to provide 1.95 crore houses till FY22 whereas PMAY-Urban aims to provide over 81 lakh houses (with a sanctioned investment amount of around ₹4.83 lakh crore).

The government has announced a series of support measures and incentives, as a result of which electric vehicles will see a steady growth in the coming years across the country. Manufacturing of EVs uses 3 times the copper than normal automobiles. Similarly, the country has set an ambitious target of installing 175 GW of renewable energy capacity by 2022 which could augment the use of copper for wiring applications.

Demand for consumer durables like refrigerators and other consumer electronic goods are likely to witness growing demand in the coming years in the rural markets with the government being very proactive in investing significantly towards rural electrification.

Motobahn

SATURDAY, SEPTEMBER 28, 2019

CVT IN ENTRY-LEVEL SEGMENT

Rakesh Srivastava, MD, Nissan Motor India

We are introducing Nissan's proven CVT (automatic gearbox) technology in Datsun Go and Go+ cars to cater to the demand of customers pan-India. It's the first time CVT is being introduced in this segment.

INTERVIEW: **SANJAY GUPTA,**

Vice-president & India country manager, NXP

'We must focus on ADAS to avoid road accidents'

NXP Semiconductors works in the areas of connected vehicles, end-to-end security & privacy, and smart connected solutions markets. In India, the company has three R&D locations (Bengaluru, Hyderabad and Noida) and 2,000 employees. Sanjay Gupta, the vice-president & India country manager at NXP, says the company sees a lot of opportunities in the Indian electric mobility space—not only in the development of electric vehicles (EVs), but also in the areas of battery technology, charging infrastructure and battery management systems. In an interview with FE's **Vikram Chaudhary**, *he adds that there are multiple operational systems in a car, and NXP produces components that go into these systems. Excerpts*:

A lot of talk is happening globally around driverless cars. Can self-driving cars be a reality in India as well?

Earlier, driverless cars were mostly shown in sci-fi movies. Now, not only tech and auto companies are working towards it, but some governments globally are also taking interest. When it comes to pilots and testing the feasibility of autonomous cars, some western countries are leading the pack with advanced automation and robotics.

At NXP, we've already developed Advanced Driver Assistance Systems (ADAS) that aid drivers and help prevent accidents by leveraging technologies like radar, V2X (vehicle-to-everything communication) and lidar to perform functions like blind-spot monitoring, lane departure warning and parking assistance.

Only time will tell when India would be fully ready for driverless cars, but the journey has already begun. Now, appropriate investment, long-term policy framework and support from the government is needed.

What role is NXP playing in the EV space in India?

We've seen the NITI Aayog's focus on EVs. This will change the face of the Indian automobile sector, say, 2030 onwards. At NXP, we are working towards making system solutions for EVs, and are enabling the infrastructure, too. Our major contributions are in the areas of battery management systems and charging infrastructure. We are also working towards the creation of a seamless V2X technology—where data from sensors and other sources travels via high-bandwidth, low-latency and high-reliability links.

What kind of support do you think electric mobility needs from the government?

Tax sops were announced in the 2019 Union Budget, and we've seen new companies and existing OEMs expressing their concerns and talking about their EV plans. But a teamwork is needed. The government should look at incentivising manufacturers as EVs need massive investments. Areas like infrastructure, subsidies, policies around EVs need more clarity.

What are the roadblocks to electric mobility?

One, there needs to be a proper ecosystem such as charging infrastructure, better quality of roads and better data connectivity. Two, the success of EVs depends upon consumer acceptance, so these should include consumer-friendly features at affordable price-points.

Three, investing in EV infrastructure is a huge gamble for private players without government assistance and absence of a concrete action plan.

Globally, there is a contesting view in the industry over the usage of 5G over the dedicated short-range communication system (DSRC) for connected cars. Which do you think is preferable?

There is no doubt that a lot of things would be made possible with 5G—it can play a huge role in autonomous cars by enabling car-to-cloud information network, and making real-time processing and transmitting of data far faster, removing latency substantially. However, the more preferred system of communication for cars would be developing DSRC, which could be encrypted and serve a more targeted purpose with much-needed security and latency requirements.

We do, however, believe that both 5G and DSRC could complement each other and can co-exist—both essentially serving different purposes.

Can autonomous cars actually reduce road accidents?

A majority of road accidents occur due to human error; automation can help save lives. Globally, we already have Level 2 automated driving (SAE International has defined the levels of driving automation, from Level 0 to Level 5). Level 2 means technologies such as advance collision detection, lane departure and cruise control. In a country like India, we should first focus on ADAS features (Levels 1-3) to avoid accidents and save lives. Fully autonomous (or Level 5) driving can wait.

CUSTOMER REVIEW: **HYUNDAI KONA ELECTRIC**

How to make the most of an electric car

A Kona Electric customer gets 320-370km range in the city

KRISHNA KUMAR G

A FEW MONTHS months ago, I wanted to buy a ₹20-25 lakh petrol car. Since none met my expectations, I decided Hyundai Venue, the compact SUV (about ₹10 lakh). During the process, I learnt about then to-be-launched Hyundai Kona Electric.

At the same time, it was encouraging to see the government's Budget announcement to encourage sales of electric cars. While the launch price of the Kona was above my budget (over ₹25 lakh), with the GST reduction on the anvil, I booked it. Reasons included tax benefit offered on the loan availed for purchasing it, reduction in GST, no road tax, registration fees, etc. Add to that the fact that the Kona Electric has a decent range (claimed is 452 km on its 39.2 kWh battery pack).

I was aware charging would be a problem. While I got a slow charger and a fast-charging AC equipment free for charging at home, public infrastructure is almost non-existent. Then I got to know BESCOM, the electricity provider in Bengaluru, has set up 12 fast-charging stations across the city—the government of Karnataka and BESCOM are also planning to set up charging stations along national highways.

I was among the first few customers to get the delivery of the car, in August. Its ride quality is fantastic. The intuitive cluster, infotainment system and the button-based drive-mode selector are futuristic. Interestingly, many people have asked me the typical '*kitna deti hai*' question.

I've driven during rush hour, off-peak hours, and on a short stretch on highways. Practical storage spaces are worth mentioning, and ventilated seats are a boon in hot weather. Also, during rush hour traffic, I have been getting about 7.5 km per kWh (translates to 294 km range). During off-peak hours and if driven at 30-50kph, the efficiency improves to 11 km per kWh (431 km range). The key to getting better range is easy acceleration, regenerative braking set at level 3, using driver-only AC (if you are the only one in the car). Also, range improves when going downhill as that helps recharge the battery. With five people travelling and AC switched on, about 9 km per kWh is achievable (352 km range). On the highway, the best range is possible when driving at 70-90kph.

I've observed the Kona returns a range of 320-370 km during urban driving and about 300 km on the highway. Customers like us definitely need more choices as far as electric cars are concerned, and surely such electric cars that have a range long enough not to give us range anxiety.

The author is an ICT professional and a Kona owner based in Bengaluru
krishnak1@outlook.com

Volvo goes all-electric

The first all-electric Volvo SUV will be showcased globally on October 16

FE BUREAU

IN 2017, VOLVO Cars had announced that every car it launches from 2019 onwards will have an electric motor; it marked the end of Volvo cars that only have an internal combustion engine (ICE) and placed electrification at the core of the company's future business. It represented one of the most significant moves by any carmaker to embrace electrification and highlighted how, over a century after the invention of the ICE, electrification is paving the way for a new chapter in automotive history.

Now, as 2019 is coming to a close, Volvo Cars has announced it will be unveiling the fully electric XC40 SUV in October.

"With the introduction of the forthcoming fully electric Volvo XC40 SUV next month, Volvo Cars is not just launching its first fully electric car—in true Volvo tradition, it is also introducing one of the safest cars on the road, despite a fresh set of challenges presented by the absence of an ICE," the company said in a statement.

"Regardless of what drives a car forward, be it an electric machine or a combustion engine, a Volvo must be safe," said Malin Ekholm, head of safety at Volvo Cars. "The fully electric XC40 will be one of the safest cars we have ever built."

The all-electric XC40 will be first shown to the public globally on October 16.

Now, the Elantra turns connected

It will be India's first 'fully connected executive sedan'

FE BUREAU

HYUNDAI INDIA HAS announced that the new Elantra, to be launched on October 3, will get 34 Hyundai BlueLink features—the connected car technology that powers the Venue compact SUV. Of these 34 features, 10 are India-specific.

SS Kim, MD & CEO, Hyundai Motor India, said, "Connectivity on the move is an essential part of creating quality time and ease of space. The new 2019 Elantra will be India's first smart connected premium executive sedan."

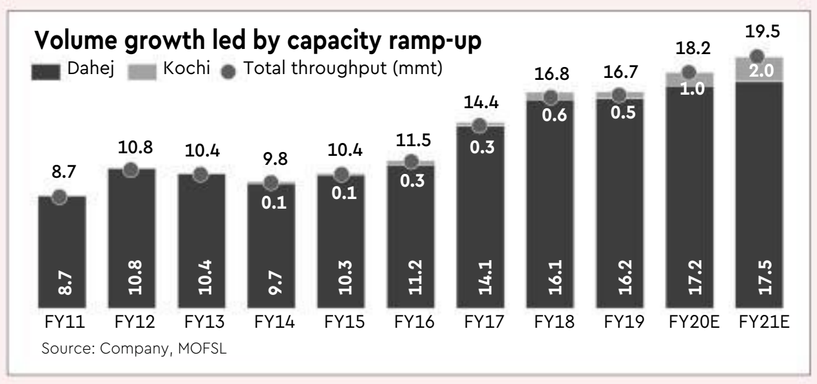
The Elantra will be launched with a BS6 petrol engine; diesel will be launched later.

Investor

PETRONET LNG RATING: **BUY**

Non-binding nature of deal is important

Recent corporate tax benefit behind ~12% rise in EPS for FY20/21e; TP raised to ₹336 from ₹305; 'Buy' maintained



PETRONET LNG (PLNG) arranged a conference call to allay investor concerns about the recently signed MoU with Tellurian, US. PLNG signed a non-binding agreement with Tellurian in the US on 21st Sep'19, which envisages an LNG purchase contract of up to 5mmt. Phase-I (16.6mmt) of the project is expected to be complete by 2023, and PLNG might invest ~$2.5 bn for ~18% stake in the project. The contract is on behalf of PLNG or its affiliates, which can directly participate in equity investment too.

The company reiterated that it would enter into a definitive contract only if it gets back-to-back customers, either from its promoters or other buyers. In the absence of any participation from the affiliates, PLNG might contract for 1-2mmt of LNG and limit its investment to ~$0.5-1.0 bn (company has cash of ~$0.5 bn as of end-FY19).

The economies

The Tellurian liquefaction project at Lake Charles in the US will source gas from the Permian basin, where the wellhead cost of gas is currently at $0.25/mmbtu. Assuming sourcing of gas at $1/mmbtu, along with pipeline, liquefaction and other costs at $1.5-1.8/mmbtu, the landed price in India would be no more than $5.5-6.0/mmbtu. This would be quite economical compared with oil-linked contracts even if oil falls to $50-55/bbl. The contract with Tellurian would also assist PLNG with expiry of its LT RasGas contract in 2028.

India's gas consumption story

PLNG expects Tellurian gas landed price in India to be under $6/mmtbu. This would facilitate certainty to power consumers, aiding stranded gas-based power plants. PLNG is also planning to retail its own gas with recent MoUs with GUJGA and IGL to set up LNG gas dispensers in their respective GAs. Also, the company is in talks to set up ~10-20 LNG gas dispensers at OMCs' retail outlets.

Valuation and view

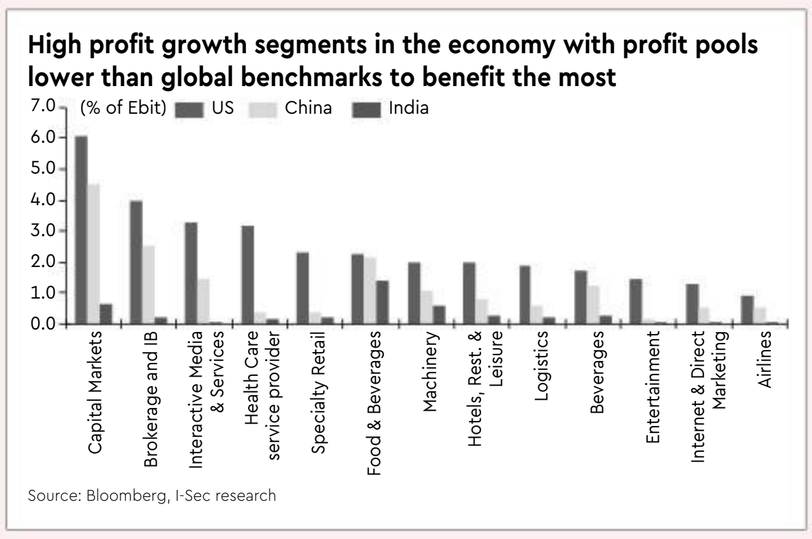
Higher gas adoption from industries and the power sector will likely support volume growth for PLNG. We believe that due to the Kochi-Mangalore pipeline and Dahej expansion, PLNG's total volume could grow by ~9/7% in FY20/21. We expect Ebitda growth of ~27%/16% in FY20/21. Cash utilisation for the company has been a challenge, though we expect the dividend payout to remain strong. We factor in the recent corporate tax benefit announced by the government, which leads to EPS change of ~12% for FY20/21. As a result, we revise our TP from earlier ₹305 to ₹336. The stock trades at 11.0x FY21 EPS of ₹21.4 and 7.1x FY21 EV/Ebitda. We value the stock using DCF. We reiterate PLNG as our top pick in the sector with an upside of ~33% to the current market price.

MOTILAL OSWAL

STRATEGY

Present rally in stock prices is warranted

Multiplier effect of tax cut likely to be felt in the medium term; Sept'20 NIFTY50 target up 8%



"LIKE IT OR not, the US Government 'owns' an interest in Berkshire's earnings of a size determined by Congress" – Warren Buffet (2018 Annual letter)

Current rally in stocks is warranted: The above excerpt from Buffet's 2018 annual letter captures the impact of the corporate tax cut from 34.94% to 25.17% on the intrinsic value for shareholders of India Inc. We believe that the upmove since Sept 20 in the market just reflects this transfer of part of claims of government of India to the shareholders of India Inc.

Multiplier effect of the tax cut on aggregate demand provides positive outcome over medium term: Empirical studies on the impact of tax cuts on aggregate demand vary but they agree on the duration of the impulse effect lasting more than revenue expenditure. Similar tax cuts by the US in 2017 did result in improving aggregate demand for a couple of years but the impulse effects seem to be fading away currently as expected.

Beta rally gets a fresh catalyst: We had indicated in our earlier note that the 'Beta rally' in India is gaining momentum due to improving global and domestic liquidity as central banks turn more dovish, subdued oil prices, government actions and moderating equity valuations. The tax rate cut has brought in a significant catalyst to the beta rally and we believe it could continue.

High growth profitable segments paying marginal tax rates to benefit the most: Segments in the economy which are witnessing higher demand growth than the nominal GDP with robust profitability and paying the marginal tax rate of ~35 % (select segments within Finance, Consumption, services and manufacturing) will be benefitted the most because they will get incremental perpetual stream of 'growth capital' at zero cost. The next group to benefit will be the segments which have robust profitability but whose growth has slowed down due to weak demand, thereby allowing them to cut prices.

Ability to crowd in private investment will be key for capex related sectors: Private sector capex has been weak, except for few sectors such as consumer discretionary, staples, IT, Auto and Chemicals but their contribution to the overall capex is not meaningful. Special tax rate of 15% (effective 17%) should help in attracting greater green-field investment, but lack of capital intensity in sectors seeing demand could hamper overall capital formation.

We raise our Sept'20 NIFTY50 target by 8% to 13,400 reflecting an equal amount of earnings upgrade. One year forward target multiple remains unchanged at 17.7x (+ 0.5 s.d. of LTA).

Top picks: L&T, Siemens, Ultratech, SBI, HDFC Bank, Bandhan Bank, TVS Motors, Jubilant Foodworks, Interglobe Aviation, Dr.Lal Pathlabs, JB Chemicals and Pharma, BPCL.

ICICI SECURITIES

Indian skater on a roll

FE BUREAU

AMITESH MISHRA, 19, is representing India at the 2019 edition of the Berlin Marathon (September 28, 2019). Mishra is the youngest Indian ever to participate at the event—part of the World Inline Cup, the international roller marathon series.

While skating-marathon became a part of the event in 1997, the Berlin Marathon dates back to 1974. It sees over 40,000 finishers and is one of four major marathons, alongside New York, Chicago and Paris.

"Racing the Berlin Marathon has been a dream," Mishra said. "I have been training this whole season for this race."

Mishra's first global appearance was at the 2016 Asian Championship in Lishui, China. He was then selected as one of two athletes to represent India at the 2018 Asian Games. In October, he will compete in Jeonju World Inline Marathon, Korea.

International

SATURDAY, SEPTEMBER 28, 2019

IMPEACHMENT IN MOTION

Nancy Pelosi, US House of Representatives Speaker

Our members came to their own decisions in their own time about this. But when it was such a compelling national security issue, it's just — he gave us no choice.

Quick View

Boeing 737 Max crash: CEO to testify before US Congress

BOEING'S CHIEF EXECUTIVE Officer Dennis Muilenburg has agreed to his first scheduled appearance before the US Congress to discuss the 737 Max, the grounded jetliner involved in two fatal crashes. The hearing will take place on October 30, one day after the first anniversary of the 737 Max crash that occurred off the coast of Indonesia.

US consumer sentiment improves, but marginally

US CONSUMER SENTIMENT improved in late September while remaining subdued after an August plunge, reflecting persistent unease over trade tensions and global risks confronting the economy. The University of Michigan's final sentiment index rose to 93.2 from a preliminary 92 and August's 89.8, according to data Friday that topped economist estimates.

Merkel loses poll lead after climate proposal flops

GERMAN CHANCELLOR ANGELA Merkel lost her lead over the Greens in a nationwide poll a week after her a much-heralded proposal to cut greenhouse gas emissions was knocked as too timid even by many of her supporters. While the Greens climbed three points to 27%, Merkel's Christian Democratic-led bloc slid a point to the same level, according to the poll published by broadcaster ZDF on Friday.

Countries at UN commit to fighting fake news

TWENTY COUNTRIES, INCLUDING France, Britain and India, have signed an agreement at the UN that aims to stop the spread of fake news online. The signatories, which also included South Africa and Canada, committed to promoting "independently reported, diverse and reliable" information on the internet, under an accord initiated by Reporters Without Borders (RSF), a press freedom watchdog.

Libra coin group in talks with EU regulators

THE LIBRA ASSOCIATION, due to launch and manage the Facebook-led Libra cryptocurrency, is talking to European Union regulators after opposition from Germany and France, its managing director said at one of his first public appearances on the job.

UKRAINE TAPE

We are at war, says Trump

Audio and video tapes of Trump saying the whistleblower 'is close to a spy' have emerged

BLOOMBERG
Washington, September 27

PRESIDENT DONALD TRUMP used a closed-door gathering with US diplomats in New York to attack Democratic rival Joe Biden and disparage a whistle-blower complaint over his controversial phone call with Ukrainian President Volodymyr Zelenskiy now at the heart of an impeachment inquiry.

"We're at war," Trump said, referring to the whistle-blower in a 15-minute video obtained by *Bloomberg News*. "These people are sick. They're sick."

"I want to know who's the person, who's the person who gave the whistle-blower the information? Because that's close to a spy," he added. An audio recording of some of the comments was posted online earlier by the *Los Angeles Times*.

He added what appeared to be a thinly veiled threat: "You know what we used to do in the old days when we were smart? Right? The spies and treason, we used to handle it a little differently than we do now."

He called the whistle-blower "highly partisan."

Trump's address to the US mission to the UN wandered freely from Biden to the 2016 election, from coal miners to the size of Democratic Representative Adam Schiff's neck: "He's got a neck about this big," the president said as he pressed his index finger to his thumb.

"He's got shirts that are too big because you can't buy shirts that are that small. He was never a coal miner, lets put it that way."

The White House had set up the guest list for the meet and greet, one person familiar said.

At one point, Trump said his only predecessor to appear more presidential than he was Abraham Lincoln.

"I'm the most presidential except for possibly Abe Lincoln when he wore the hat. That was tough to beat," Trump said. But he added: "I have better hair than him."

Trump repeated his claims that Joe Biden helped his son, Hunter Biden, improperly win millions in dollars in business from Ukraine and China.

Those claims have been at the center of the controversy over the president's call with Zelenskiy in which he implores the Ukrainian leader to investigate the Bidens. He referred to the former vice president as "Sleepy Joe Biden who's dumb as a rock."

Protesters with Kremlin Annex with a light sign that reads "No one is above the law" call to impeach President Donald Trump in Lafayette Square Park in front of the White House in Washington, Thursday AP

Cook seeks theatre release of films before Apple TV+ streaming

iPhone maker hopes this move would attract big-name directors, producers

REUTERS
September 27

APPLE PLANS TO take a different path to streaming rival Netflix and allow theatrical releases for some of the feature-length films it has begun producing for its new Apple TV+ service, the *Wall Street Journal* reported on Friday.

Citing people familiar with the matter, *the WSJ* said that by pursuing traditional releases for major projects, the iPhone maker hopes to make it easier to attract big-name directors and producers to its projects.

Sofia Coppola's *On the Rocks*, starring Bill Murray and produced in partnership with *Moonlight* producers A24, will be among Apple's first major theatrical releases in mid-2020, it said.

Apple, a late entrant to the streaming war, plans to launch its service called Apple TV+ on November 1 for $5 a month to compete with rivals such as Netflix and Walt Disney's upcoming streaming offering, Disney+.

Both the rivals have deeper libraries and years of experience in making hit shows.

Netflix won the Best Picture Oscar this year with Alfonso Cuaron's *Roma*, which was never given a theatrical release.

In a victory for it and other streaming services, the Academy of Motion Picture Arts and Sciences later voted not to change its rules to demand Oscar nominees must play in theaters for a minimum period before being launched on other small screen mediums.

Apple is spending $2 billion on original content this year but is still dwarfed by the industry leader Netflix, which has a reported $10 billion budget for content and 151 million paid subscribers.

Republican aide hired to lobby for Google

BLOOMBERG
Washington, September 27

GOOGLE HIRED THE top aide to Republican Senator Rob Portman to head its Washington policy operation, filling a key post as the internet search giant confronts escalating regulatory threats.

Mark Isakowitz, who was Portman's chief of staff, will be in charge of government affairs and public policy in the US and Canada, according to a Google announcement Friday. He replaces Susan Molinari, who took an advisory role after resigning the position last year.

"I am very excited to join a company that is constantly innovating, creating opportunity, and helping the American economy grow," Isakowitz said in the statement. "I look forward to working with policy makers and others to help promote responsible innovation and the internet economy."

He will report to the company's global policy chief, Karan Bhatia, who said Isakowitz brings "serious policy knowledge, and an impressive record of bridging divides and achieving results."

Mark Isakowitz, who was Senator Rob Portman's chief of staff, will be in charge of government affairs and public policy in the US and Canada.

Google is grappling with escalating scrutiny from federal, congressional and state antitrust officials. The Justice Department and 50 state attorneys general are conducting broad investigations, while a House panel probing the technology sector has also zeroed in on the company. Bhatia joined Google last year after overseeing global affairs at General Electric.

Dump data breach case: FB tells court

BLOOMBERG
San Francisco, September 27

FACEBOOK SAYS A lawsuit over a data breach that affected almost 30 million users should be tossed because the lawyers who filed it have provided no evidence that anyone was injured by the attack.

The suit was filed last year on behalf of 18 Facebook users seeking to represent a class of 29 million. But 16 of the users dropped out of the case; one was dismissed by the judge; and the last remaining plaintiff has been unable to back up his claim that he was hit by phishing attacks after the breach, Facebook said in a filing Thursday in San Francisco federal court.

A federal judge issued a strongly worded ruling in June rejecting Facebook's request to dismiss the case. The world's largest social network portrayed itself as the victim of a sophisticated cyber-attack and argued that it isn't liable for thieves gaining access to user names and contact information.

"From a policy standpoint, to hold that Facebook has no duty of care here 'would create perverse incentives for businesses who profit off the use of consumers' personal data to turn a blind eye and ignore known security risks,'" US District Judge William Alsup wrote, citing a decision in another case.

The lawsuit stems from a data breach that Facebook revealed a year ago in which hackers exploited software bugs to obtain access to millions of user accounts. The company contends it acted quickly to contain the damage and that attackers failed to get more sensitive information, including credit card numbers and passwords, saving users from any real harm.

Lawyers filed their class-action complaint on the same day Facebook disclosed the breach.

Alsup tossed a couple of the claims in the case in his June ruling but concluded the lawyers sufficiently backed up their allegation that Facebook was negligent in its handling of user data. The judge said the case should move forward with discovery and toward trial "with alacrity."

Facebook fought back in Thursday's filing, urging the judge not to grant the case class-action status and to dismiss it entirely for lack of evidence that anyone was harmed by the data breach.

The one remaining plaintiff, Stephen Adkins, a Michigan man who joined Facebook in 2009, claimed he was "bombarded" by phishing emails following the attack and lost time "sorting through" them. But Facebook's lawyers say he couldn't back that up when he was questioned in a deposition.

ALGORITHMIC PLAY

HSBC flips crime-spotting tool to scope new biz

LAWRENCE WHITE
London, September 27

BRITISH BANK HSBC has converted a financial crime-spotting algorithm it was forced to build in the wake of a money-laundering scandal into one that can scope out new business opportunities, bank executives said.

The system combines data on clients' banking activities, with public data on company ownership and directorships, to flag desirable potential clients to HSBC staff and offer ways to connect to them through existing relationships.

Using data and artificial intelligence to try and boost revenues is part of HSBC's broader push to squeeze more out of its large physical network and client data, a key priority for interim Chief Executive Noel Quinn.

"It's one of the first commercial uses of investment in financial crime prevention, and the business we're getting in this way is inherently lower risk and quicker to win," said Stuart Nivison, HSBC's global head of client network banking.

HSBC declined to comment on how much it expects to make from the new system but said the broader 'network income' initiative has already yielded hundreds of millions of dollars in additional revenue.

HSBC was forced to invest hundreds of millions of dollars in financial crime compliance as part of a $1.9 billion settlement in 2012 with US authorities

The drive is an important part of the bank's efforts to defend its global presence at a time when some analysts and investors are saying it should shrink or exit markets like the United States where it makes returns below its cost of capital.

HSBC was forced to invest hundreds of millions of dollars in financial crime compliance as part of a $1.9 billion settlement in 2012 with US authorities over the bank's failure to prevent money laundering by drug cartels though its Mexican unit.

The system works by mapping individual customers' and companies ties to each other and then looking for unusual patterns of transactions or unearthing previously unknown connections between those entities.

That system has already freed up more than 400 staff to go from manually checking transactions and records to client-facing roles where they can spend time helping customers, said Adrian Rigby, chief operating officer of HSBC's trade business.

HSBC's Nivison said the lightbulb moment was realising the tool could be repurposed to look for 'green flags' of attractive potential clients rather than 'red flags' of wrongdoing. "We took our customer dataset and combined it with (Britain's) Companies House data and turned the algorithm around to look for attractiveness in a client, whether that be through sector, growth of the company, and connection to existing clients," Nivison said.

'Asia's $640-bn bad loans luring investors'

BLOOMBERG
September 27

A GROWING PILE of bad debt in Asia is luring more global investors.

That's the view of consulting firm Deloitte, which estimates that nonperforming loans held by banks across Asia jumped 23% to $640 billion, amid a slowdown in the global economy and simmering U.S.-China trade tensions.

China continues to dominate the region's soured loans, with a total of $295 billion held by Asian banks, while India is the second largest at about $160 billion, according to Deloitte in a report.

China's nonperforming debt has lured global funds from Oaktree Capital Group to Bain Capital Credit, while India needs foreign capital to clean up the world's worst bad-loan pile.

The scale of China's nonperforming loan market is "on par with even the busiest of European markets," with Deloitte estimating that 380 billion yuan ($53 billion) of soured debt traded in the secondary market in 2018. Foreign investors were "under-represented," buying only 4% of these NPL portfolios by value, it said.

Overseas investor interest in China has risen over the past couple of years, "with several high-profile buyers entering the market," according to Deloitte.

The growth in China's nonperforming loan market has "shown no signs of cooling during 2019," the consulting firm said.

In India, Deloitte sees increasing interest from investors, as the country's regulatory framework forces banks to be more proactive in tackling their soured assets.

SELECTIONS FROM

The Economist

BUSINESS
MIXED BREW

A victory for Starbucks clarifies EU rules on sweetheart tax deals

But its impact on the giant Apple case is unclear

Margrethe Vestager, the steely Dane who forged her global reputation by waging war on Silicon Valley tech firms and corporate tax dodgers, was offered a rare second term as the European Commission's competition tsar earlier this month. However part of her legacy is now under intense scrutiny as tax-shy multinational companies try to contest her tough-minded tax-rulings.

The most well-known of these is her demand that Apple repay a huge 13 billion euros ($14 billion) sum to Ireland, which the eu's General Court is still chewing over. But two other judgments offer a sense of whether the courts will back up her mission to revolutionise the taxation of multinational companies in Europe. The cases are complex, but the overall message from the judiciary to Vestager is "proceed—but with caution, because the court is watching," says Pablo Ibáñez Colomo at the London School of Economics.

The first case involves Starbucks, which Vestager ordered in 2015 to cough-up some 30 million euros ($33million) in unpaid taxes in the Netherlands. She had argued that the existing tax arrangements the coffee-seller had set up with the Dutch government's approval involved transactions between the firm's subsidiaries that did not take place at arm's length using market prices.

The General Court upheld the principle that Ms Vestager was entitled to insist on arm's length treatment. But it found that she was not entitled to stipulate the precise methodology that countries use. As a result it overturned Vestager's ruling. Starbucks was able to raise a Pumpkin Spice Latte in victory and low-tax states fearing a stealthy attempt to harmonise European tax policy heaved half a sigh of relief. But the big picture is that the ruling actually helps establish the eu's right to insist on market-based tax arrangements, which big firms will hate.

The second case was a straight win for Vestager. In 2015 she ruled that Fiat Chrysler (whose chairman, John Elkann, sits on the board of *The Economist*'s parent company) should pay up to €30m in Luxembourg, because its arrangements did not match economic reality. The General Court upheld this decision. The carmaker may now appeal to the European Court of Justice. Ibáñez Colomo reckons its odds of success are less than 50%.

EU Commission chief Margrethe Vestagermay lose some battles in the courts FILE PHOTO

Brussels-watchers and executives in Cupertino, California will inevitably wonder what clues the judgments might give about the General Court's deliberations on Apple. The technical answer is not many. The Starbucks and Fiat cases were about transfer prices between firms' subsidiaries, whereas the iPhone maker's case is about how its vast profits are allocated between its subsidiaries.

Nonetheless the mood music now is that while Vestager may lose some battles in the courts there is little sign so far that she is about to lose the war. Indeed she continues to open up new cases—in January, for example, she announced an investigation into the tax treatment of Nike in the Netherlands.

In the confrontation over tax between big business and Vestager, neither side is likely to roll over any time soon. The stakes are too high.

KIRLOSKAR FERROUS INDUSTRIES LIMITED

A Kirloskar Group Company
Registered Office: 13, Laxmanrao Kirloskar Road, Khadki, Pune - 411 003. (Maharashtra)
CIN: L27101PN1991PLC063223

Enriching Lives

NOTICE

Notice is hereby given that the meeting of the Board of Directors of the Company is scheduled to be held on **Friday, 18 October 2019** to consider and approve, inter-alia, the Unaudited Financial Results of the Company for the quarter and six months ended 30 September 2019.

This intimation is also available at the website of the Company viz. www.kfil.com and that of the BSE Limited viz. www.bseindia.com

For Kirloskar Ferrous Industries Limited
sd/-
C. S. Panicker
Executive Vice President (Corporate Finance)
and Company Secretary

Date : 27 September 2019
Place : Pune

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ICICI Lombard
Nibhaye Vaade

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NOTICE

NOTICE is hereby given that in terms of Regulation 29 read with Regulation 47 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company will, inter-alia, consider the Audited Financial Results for the quarter and half-year ending on September 30, 2019 and to consider and declare an interim dividend, if any, at its meeting to be held on Friday, October 18, 2019 in Mumbai.

The Financial Results will be available on the website of BSE Limited (www.bseindia.com), National Stock Exchange of India Limited (www.nseindia.com) and on the website of the Company at (https://www.icicilombard.com) after the approval of the Board.

For ICICI Lombard General Insurance Company Limited
Sd/-
Vikas Mehra
Company Secretary
ACS 12117

Mumbai
September 27, 2019

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PRADEEP METALS LIMITED

Registered Office: R-205, MIDC, TTC Industrial Area, Rabale, Navi Mumbai- 400701
Tel.:+91-22-27691026 Fax:+91-22-27691123 Email: investors@pradeepmetals.com
Website: www.pradeepmetals.com CIN:L99999MH1982PLC026191

NOTICE TO SHAREHOLDERS

TRANSFER OF EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

This Notice is published pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules) issued by Ministry of Corporate Affairs (MCA) and subsequent amendment thereto.

IEPF Rules, inter-alia, provide to transfer of underlying shares in respect of which dividend has not been paid to or claimed by the shareholders for seven consecutive years to Investor Education and Protection Fund (Fund) set up by the Central Government. As per Rule 6(1), "The underlying shares shall be credited to DEMAT Account of the Authority opened by the Authority for the said purpose, within a period of thirty days of such shares becoming due to be transferred to the Fund."

The Company will transfer its unpaid Final Dividend Account, 2011-12 to IEPF by 04.11.2019. Accordingly, the underlying Shares are due to be transferred to the Fund and the Company has sent individual communication/ letter on date 27.09.2019 to those shareholders whose underlying shares are liable to be transferred to IEPF i.e. for Final Dividend FY 2011-12, informing that the said underlying shares will be transferred to the DEMAT Account of the IEPF Authority.

Therefore, NOTICE is given to the Shareholders that the Company will proceed to initiate action for transfer of underlying shares to the Fund in respect of the shares on which dividend remain unclaimed for Seven Years from FY 2011-12 (Final) onwards, by 04.11.2019 without any further notice to the Shareholders by following the due process as under:

1. In case of shares held in demat mode – by transfer of shares directly to demat account of the Fund through the DPs of the shareholder concerned;
2. In case of shares held in physical mode – by issuance of new duplicate share certificate in lieu of the original certificate(s) and thereafter transferring the same to the Fund by converting into Demat through depository.

The shareholder(s) may please contact the Company or its Registrar and Transfer Agents: M/s. Link Intime India Private Limited, C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083, Tel: 022-49186000, Fax: 022-49186060, Email: iepf.shares@linkintime.co.in, Website: www.linkintime.co.in before 21st October, 2019, to claim the said shares.

The shareholder(s) may please note that the updated list of such shares which are liable to be transferred to the Fund has been uploaded on the Company's website at www.pradeepmetals.com.

It may be noted that the shares transferred to the Fund, including all benefits accruing on such shares, if any, can be claimed from the IEPF Authority by following the procedure prescribed in the said Rules.

For **Pradeep Metals Limited**
Sd/-
Nivedita Nayak
Company Secretary
FCS: 8479

Place : Navi Mumbai
Date : 27th September, 2019

FORM A
PUBLIC ANNOUNCEMENT

(Under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

FOR THE ATTENTION OF THE CREDITORS OF ADITYA POLYMERS AND CHEMICALS (INDIA) PRIVATE LIMITED

RELEVANT PARTICULARS

1.	**Name of Corporate Debtor**	**Aditya Polymers and Chemicals (India) Private Limited**
2.	Date of incorporation of Corporate Debtor	10.02.2004
3.	Authority under which Corporate Debtor is incorporated / registered	Registrar of Companies, Pune
4.	Corporate Identity No. / Limited Liability Identification No. of corporate debtor	CIN: U25207PN2004PTC018888
5.	Address of the registered office and principal office (if any) of corporate debtor	118, Satyam Estate, 35/A, Erandwana, Off Karve Road, Pune- 411038
6.	Insolvency commencement date in respect of corporate debtor	05.09.2019
7.	Estimated date of closure of insolvency resolution process	03.03.2020 (180 days from the date of commencement of Corporate Insolvency Resolution Process)
8.	Name and Registration number of the insolvency professional acting as interim resolution professional	**Ms. Purnima Shetty** **Registration No.** – IBBI/IPA-002/IP-N00394/ 2017-18/11197
9.	Address and email of the interim resolution professional, as registered with the board	Ms. Purnima Shetty DX-6, Om Woods, Plot No. 144, Badam Lane, Nr. DMart, Sector 21, Nerul East -400706 **Email:** pcspurnima@gmail.com
10.	Address and e-mail to be used for correspondence with the interim resolution professional	**C/o. Desai Saksena and Associates**, Chartered Accountants, Laxmi Building, First Floor, Sir P. M. Road, Fort, Mumbai – 400001 **Email:** cirpapcpl@gmail.com
11.	Last date for submission of claims	10.10.2019 (14 days from the date of receipt of NCLT order. The order was received on 26.09.2019)
12.	Classes of creditors, if any, under clause (b) of sub-section (6A) of section 21, ascertained by the interim resolution professional	Not Applicable as per the information available with the IRP.
13.	Names of insolvency professionals identified to act as authorised Representative of creditors in a class (three names for each class)	Not Applicable as per the information available with the IRP.
14.	(a) Relevant forms and (b) Details of authorized representatives are available at:	(a) Weblink: https://ibbi.gov.in/home/downloads (b) Physical Address: As per Column No, 10 Not Applicable

Notice is hereby given that the National Company Law Tribunal has ordered the commencement of corporate insolvency resolution process of the **Aditya Polymers and Chemicals (India) Private Limited** on 05.09.2019. (Order uploaded on site and communicated to undersigned on 26.09.2019)

The creditors of **Aditya Polymers and Chemicals (India) Private Limited** are hereby called upon to submit their claims with proof (Outstanding as on 05.09.2019) to the interim resolution professional on or before 10th October, 2019 at the address mentioned against entry No. 10.

The financial creditors shall submit their claims with proof by electronic means only. All other creditors may submit the claims with proof in person, by post or by electronic means.

A financial creditor belonging to a class, as listed against the entry No. 12,shall indicate its choice of authorized representative from among the three insolvency professionals listed against entry No.13 to act as authorized representative of the class in Form CA.- **Not Applicable as per the information available with the IRP**

The proof of claims is to be submitted by way of the following specified forms:

- Form B : For Proof of claims by Operational Creditors except Workmen and Employees
- Form C : For Proof of Claims by Financial Creditors
- Form D : For Proof of claim by a Workman or an Employee
- Form E : For Proof of claims by Authorised Representative of Workmen and Employees
- Form F : For claims by creditors (other than Operational and Financial creditors)

Submission of false or misleading proofs of claim shall attract penalties.

Sd/-
Purnima Shetty
Interim Resolution Professional
Registration No. – IBBI/IPA-002/IP-N00394/ 2017-18/11197

Date: 28th September, 2019
Place: Mumbai

THE SINGARENI COLLIERIES COMPANY LIMITED

(A Government Company)
Regd. Office: Kothagudem Collieries – 507101.

e-Procurement TENDER NOTICE

The following list of Tenders have been floated through TS Portal for procurement. For details, please visit https://tender.telangana.gov.in

NIT/Enquiry No. - Description/Subject - Last date and time for Submission of bid(s)

E1719O0218 - Procurement of Sony 75 inches LED TVs. - 10/10/2019 - 17:00 hrs.

E1719O0223 - Procurement of Radwin Wireless access points - 10/10/2019 - 17:00 hrs.

E1419O0196 - Transportation of Coal from OCP-III, Phase-2, RG-II Area to OCP-III Main CHP, GDK.1 CHP, GDK.6 CHP on weight basis for a Period of 2 years. - 14/10/2019 - 15:00 hrs.

E1819O0228 - Hiring of Drone Photography services for 2 Nos. Opencast Projects (Sravanapalli OCP & KTK OC III) - 14/10/2019 - 17:00 hrs.

E1519O0233 - Procurement of Steel Sq. Tube 49.5 x 3.6 mm for various areas of SCCL - 14/10/2019 -17:00 hrs.

E1219O0163 - Drivage of tunnel of 150m (Approx) length from15LS/12D (3A seam) to 18R/14LS(1 seam) with 1 in 5 rising gradient , 4.0m(width) x 2.4m(height) Cross section in stone at SRP 3&3A Incline mine, Srirampur Area, SCCL - 16/10/2019 - 17:00 hrs.

PR/2019-20/MP/DRS/63
General Manager (MP)

SCHEDULE-II
FORM B - PUBLIC ANNOUNCEMENT

(Regulation 12 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016)

FOR THE ATTENTION OF THE STAKE HOLDERS OF GUJARAT FOILS LIMITED

1.	**Name of Corporate Debtor**	**GUJARAT FOILS LIMITED**
2.	Date of Incorporation of Corporate Debtor	16-11-1992
3.	Authority under which Corporate Debtor is Incorporated/Registered	Registrar of Companies- Ahmedabad
4.	Corporate Identity Number of Corporate Debtor	CIN: L28999GJ1992PLC018570
5.	Address of the Registered Office of Corporate Debtor	**Registered Office :** 3436-3449, Chhatral GIDC, Phase IV, Taluka – Kalol, Dist. Gandhinagar, Gujarat - 308 001.
6.	Date of closure of Insolvency Resolution Process	27/08/2018 (270th Day)
7.	Liquidation commencement date of Corporate Debtor	Date of pronouncement of order - 16/09/2019 Date of uploading on NCLT Website and receipt of order - 24/09/2019
8.	Name, address, email address, telephone number & the registration number of the Liquidator	**Alok Kailash Saksena** **Reg No. :** IBBI/IPA-001/IP-P00056/2017-18/10134
9.	Address and email of the liquidator, as registered with the Board	**Alok Kailash Saksena** 1st Floor, Laxmi Building, Sir P M Road, Fort, Mumbai, Maharashtra ,400001 **Email Id:** aks@dsaca.co.in
10.	Address and email to be used for the correspondence with the liquidator.	**Alok Kailash Saksena** C/o. Desai Saksena and Associates, Chartered Accountant, Laxmi Building, First Floor, Sir P.M. Road Fort, Mumbai- 400001 **Email** : cirpgfl@dsaca.co.in **Ph:** 022 66261600/17
11.	Last date for submission of Claims	**23/10/2019**

Notice is hereby given that the National Company Law Tribunal, Ahmedabad Bench has ordered the commencement of liquidation of the **Gujarat Foils Limited** on **16th September, 2019** under section 33 of the Code.

The stakeholders of **Gujarat Foils Limited** are hereby called upon to submit their claims with proof on or before 23/10/2019, to the liquidator at the address mentioned against item No. 10.

The financial creditors shall submit their claims with proof by electronic means only. All other creditors may submit the claims with the proof in person, by post or by electronic means.

Submission of false or misleading proof of claims shall attract penalties.

Sd/-
Alok Kailash Saksena
Liquidator of Gujarat Foils Limited
Registration No. IBBI/IPA-001/IP P00056/2017-18/10134

Date : 27.09.2019
Place: Mumbai

BNP PARIBAS
MUTUAL FUND

Investment Manager: BNP Paribas Asset Management India Private Limited (AMC)
Corporate Identity Number (CIN): U65991MH2003PTC142972

Registered Office: BNP Paribas House, 1 North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra - East, Mumbai - 400 051. **Website:** www.bnpparibasmf.in • **Toll Free:** 1800 102 2595

NOTICE CUM ADDENDUM No. 30/2019

Notice cum Addendum to the Statement of Additional Information (SAI), Scheme Information Document (SID) & Key Information Memorandum (KIM) of BNP Paribas Mutual Fund (the Fund):

Appointment of new Registrar & Transfer Agent:

Notice is hereby given that the Registrar & Transfer Agent of the schemes of BNP Paribas Mutual Fund shall be changed to **Karvy Fintech Private Limited (Karvy)** from Sundaram BNP Paribas Fund Services Limited (SBFS) with effect from **Monday, October 14, 2019.**

Accordingly, all financial transactions & non financial transactions related to the schemes of the Fund shall be accepted at Karvy - Customer Care Centres (Official Points of Acceptance of transactions (OPAT)) and at branch offices of AMC (designated as OPAT); and Investors are requested to note that SBFS Investor Service Centres will cease to be the OPATs. List of Karvy - Customer Care Centres are mentioned below. Further, for all investor related correspondence and grievances please contact Karvy on the following address:

Karvy Fintech Private Limited (SEBI Registration No. INR000000221)
Unit: BNP Paribas Mutual Fund, Karvy Selenium, Tower B, Plot No - 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India
Toll Free Number: 1800-102-2595 (Monday to Saturday, 9 AM to 7 PM)
Email: cs.bnppmf@karvy.com

The list and contact details of Karvy - Customer Care Centres/OPATs shall be hosted on www.bnpparibasmf.in and on https://www.karvymfs.com. For any queries/information in this regard, please contact your nearest BNP Paribas Mutual Fund - Investor Service Centres or Karvy - Customer Care Centres/OPATs.

Note: This Notice cum addendum forms an integral part of the SAI, SID & KIM of the Fund read with the addenda issued thereunder. All other terms and conditions mentioned in the SAI, SID & KIM shall remain unchanged.

For BNP Paribas Asset Management India Private Limited
(Investment Manager to BNP Paribas Mutual Fund)

Sd/-

Jyothi Krishnan
Head of Compliance, Legal & Secretarial

Date : September 27, 2019
Place : Mumbai

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

LIST OF KARVY - CUSTOMER CARE CENTRES/OPATs:

• **ANDHRA PRADESH: Anantapur:** #15/149, 1st Floor, S R Towers, Subash Road, Opp. To Lalitha Kala Parishad, Anantapur - 515001 • **Eluru:** DNO-23A-7-72/73, K K S Plaza, Munukutla Vari Street, Opp Andhra Hospitals, R R Peta, Eluru - 534002 • **Guntur:** D No 6-10-27, Srinilayam, Arundelpet, 10/1, Guntur - 522002 • **Kurnool:** Shop No. 43, 1st Floor, S V Complex, Railway Station Road, Near SBI Main Branch, Kurnool - 518004 • **Nellore:** 16-2-158, 3rd Floor, Mogarala Complex, Sunday Market Lane, Pogathota, Nellore - 524001 • **Proddatur:** D. NO: 4/625, Bhairavi Complex, Bhairavi Complex, Upstairs Karur Vysya Bank, Gandhi Road, Proddatur - 516360 • **Rajahmundry:** D. No. 6-1-4, Rangachary Street, T. Nagar, Near Axis Bank Street, Rajahmundry - 533101 • **Srikakulam:** D No 4-4-97, First Floor, Behind Sri Vijayaganapathi Temple, Pedda Relli Veedhi, Palakonda Road, Srikakulam - 532001 • **Tirupathi:** H.No:10-13-425, 1st Floor, Tilak Road, Opp: Sridevi Complex, Tirupathi - 517501 • **Vizianagaram:** Soubhagya, 19-6-1/3, 2nd Floor, Near Fort Branch, Opp: Three Temples, Vizianagaram - 535002 • **Vijayawada:** 39-10-7, Opp: Municipal Water Tank, Labbipet, Vijayawada - 520010 • **Visakhapatnam:** Door No: 48-8-7, Dwaraka Diamond, Ground Floor, Srinagar, Visakhapatnam - 530016 • **ASSAM: Guwahati:** 1st Floor, Bajrangbali Building, Near Bora Service Station, GS Road, Guwahati - 781007 • **Silchar:** N.N. Dutta Road, Chowchakra Complex, Premtala, Silchar - 788001 • **BIHAR: Gaya:** 54 Lal Kothi Compound, Shree Krishna Road, 2nd Floor, North Side, Near Royal Surya Hotel, Gaya - 823001 • **Patna:** 3A, 3rd Floor Anand Tower, Exhibition Road, Opp Icici Bank, Patna - 800001 • **Begusarai:** Near Hotel Diamond Surbhi Complex, O.C Township Gate, Kapasiya Chowk, Begusarai - 851117 • **Bhagalpur:** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur - 812001 • **Darbhanga:** Jaya Complex, 2nd Floor, Above Furniture Planet, Donar, Chowk, Darbhanga - 846003 • **Muzaffarpur:** First Floor, Shukla Complex, Near ICICI Bank, Civil Court Branch, Company Bagh, Muzaffarpur - 842001 • **CHATTISGARH: Bhilai:** Shop No - 1, First Floor Plot No - 1, Commercial Complex Nehru Nagar - East, Bhilai - 490020 • **Bilaspur:** Shop No - 225,226 & 227, 2nd Floor, Narayan Plaza, Link Road, Bilaspur - 495001 • **Raipur:** Office No S-13, Second Floor, Reheja Tower, Fafadih Chowk, Jail Road, Raipur - 492001 • **Korba:** 1st Floor, City Centre, 97 IRCC, Transport Nagar, Korba - 495677 • **GOA: Margao:** 2nd Floor, Dalal Commercial Complex, Pajifond, Margao - 403601 • **Panjim:** Flat No. 1-A, H. No. 13/70, Timotio Bldg, Heliodoro Salgado Road, Next to Navhind Bhavan (Market Area), Panjim - 403001 • **GUJARAT: Ahmedabad:** 201/202 Shail Complex, Opp: Madhusudan House, B/H Girish Cold Drink, Off C G Road, Navrangpura, Ahmedabad - 380006 • **Anand:** B-42 Vaibhav Commercial Center, Nr TVS Down Town Shrow Room, Grid Char Rasta, Anand - 380001 • **Ankleshwar:** L/2 Keval Shopping Center, Old National Highway, Ankleshwar, Ankleshwar - 393002 • **Baroda:** 203, Corner point, Jetalpur Road, Baroda, Gujarat, Baroda - 390007 • **Bharuch:** Shop No 147-148, Aditya Complex, Near Kasak Circle, Bharuch - 392001 • **Bhavnagar:** 303, Sterling Point, Waghawadi Road, Bhavnagar - 364001 • **Gandhidham:** Shop # 12, Shree Ambica Arcade, Plot # 300, Ward 12. Opp. CG High School, Near HDFC Bank, Gandhidham - 370201 • **Gandhinagar:** 123, First Floor, Megh Malhar Complex, Opp. Vijay Petrol Pump, Sector - 11, Gandhinagar - 382011 • **Jamnagar:** 136-137-138, Madhav Palaza, Opp SBI Bank, Nr Lal Bunglow, Jamnagar - 361001 • **Junagadh:** 124-125 Punit Shopping Center, M.G Road, Ranavav Chowk, Junagadh - 362001 • **Mehsana:** FF-21 Someshwar Shopping Mall, Modhera Char Rasta, Mehsana - 384002 • **Nadiad:** 104/105, Near Paras Cinema, City Point Nadiad, Nadiad - 387001 • **Navsari:** 103, 1st Floor Landmark Mall, Near Sayaji Library, Navsari Gujarat, Navsari - 396445 • **Rajkot:** 302, Metro Plaza, Near Moti Tanki Chowk, Rajkot, Gujarat - 360001 • **Surat:** Office no: - 516, 5th Floor, Empire State Building, Near Udhna Darwaja, Ring Road, Surat - 395002 • **Valsad:** Shop No 2, Phiroza Corner, Opp Next Show Room, Tithal Road, Valsad - 396001 • **Vapi:** Shop No - 12, Ground Floor, Sheetal Appatment, Near K P Tower, Vapi - 396195 • **HARYANA: Ambala:** 6349, Nicholson Road, Adjacent Kos Hospitalambala Cant, Ambala - 133001 • **Faridabad:** A-2B, 3rd Floor, Neelam Bata Road, Peer ki Mazar, Nehru Groundnit, Faridabad - 121001 • **Gurgaon:** Shop No. 18, Ground Floor, Sector - 14, Opp. AKD Tower, Near Huda Office, Gurgaon - 122001 • **Hissar:** SCO 71, 1st Floor, Red Square Market, Hissar - 125001 • **Panipat:** JAVA Complex, 1st Floor, Above Vijaya Bank, G T Road, Panipat - 132103 • **Rohtak:** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak - 124001 • **Sonepat:** 205 R Model Town, Above Central Bank of India, Sonepat - 131001 • **Yamuna Nagar:** Jagdhari Road, Above UCO Bank, Near D.A.V. Girls College, Yamuna Nagar - 135001 • **Karnal:** 18/369, Char Chaman, Kunjpura Road, Behind Miglani Hospital, Karnal - 132001 • **HIMACHAL PRADESH: Shimla:** Triveni Building, By Pas Chowkkhallini, Shimla - 171002 • **Solan:** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall, Solan - 173212 • **JAMMU & KASHMIR: Jammu:** Gupta's Tower, 2nd Floor, CB - 12, Rail Head complex, Jammu - 180012 • **JHARKHAND: Bokaro:** B - 1, 1st Floor, City Centre, Sector - 4, Near Sona Chandi Jwellars, Bokaro - 827004 • **Dhanbad:** 208 New Market 2nd Floor, Bank More, Dhanbad - 826001 • **Jamshedpur:** 2nd Floor, R. R. Square, SB Shop Area, Near Reliance Foot Print & Hotel - BS Park Plaza, Main Road, Bistupur, Jamshedpur - 831001 • **Ranchi:** Room No 307, 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi - 834001 • **KARNATAKA: Bangalore:** 59, Skanda puttanna Road, Basavanagudi, Bangalore - 560004 • **Belgaum:** Cts No 3939/A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum - 590001 • **Gandhi Nagar - Bellary:** Shree Gayathri Towers, #4, 1st Floor, K.H.B.Colony, Gopalaswamy Mudaliar Road, Gandhi Nagar - Bellary - 583103 • **Davangere:** D.No 376/2, 4th Main, 8th Cross, P J Extension, Opp Byadgishettar School, Davangere - 577002 • **Dharwad:** 307/9-A 1st Floor, Nagarkar Colony, Elite Business Center, Nagarkar Colony,P B Road, Dharwad - 580001 • **Gulbarga:** Cts No 2913 1st Floor, Asian Towers, Jagath Station Main Road, Next to Adithya Hotel, Gulbarga - 585105 • **Hassan:** SAS no - 212, Ground Floor, Sampige Road 1st Cross, Near Hotel Souther Star, K R Puram, Hassan - 573201 • **Hubli:** CTC No.483/A1/A2, Ground Floor,Shri Ram Palza, Behind Kotak Mahindra Bank,Club Road, Hubli - 580029 • **Mangalore:** Mahendra Arcade Opp Court Road, Karangal Padi, Mangalore - 575003 • **Mysore:** L-350, Silver Tower, Ashoka Road, Opp.Clock Tower, Mysore - 570001 • **Shimoga:** Sri Matra Naika Complex, 1st Floor, Above Shimoga Diagnostic Centre, Llr Road, Durgigudi, Shimoga - 577201 • **KERALA: Alleppy:** 1st Floor, JP Towers, Mullackal, Ksrtc Bus Stand, Alleppy - 688011 • **Calicut:** First Floor, Savithri Building, Opp. Fathima Hospital, Bank Road, Calicut - 673001 • **Cochin:** Ali Arcade, 1st Floor,Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakualm - 682036 • **Kannur:** 2nd Floor, Prabhath Complex, Fort Road, Nr. ICICI Bank, Kannur - 670001 • **Kollam:** Ground Floor, A Narayanan Shopping Complex, Kausthubhsree Block, Kadapakada, Kollam - 691008 • **Kottayam:** 1st Floor Csiascension Square, Railway Station Road, Collectorate P O, Kottayam - 686002 • **Malappuram:** First Floor, Peekays Arcade, Down Hill, Malappuram - 676505 • **Palghat:** No: 20 & 21, Metro Complex H. P. O. Road Palakkad, H. P. O. Road, Palakkad - 678001 • **Thodupuzha:** First Floor, Pulimoottil Pioneer, Pala Road, Thodupuzha - 685584 • **Thiruvalla:** 2nd Floor,Erinjery Complex, Ramanchira, Opp Axis Bank, Thiruvalla - 689107 • **Trichur:** 2nd Floor, Brothers Complex, Naikkanal Junction,Shornur Road, Near Dhanalakshmi Bank H O, Thrissur - 680001 • **Trivandrum:** 2nd Floor, Akshaya Tower, Sasthamangalam, Trivandrum - 695010 • **MADHYA PRADESH: Betul:** 107, 1st Floor, Hotel Utkarsh, J. H. College Road, Betul - 460001 • **Bhopal:** Kay Kay Business Centre, 133, Zone I, MP Nagar, Above City Bank, Bhopal - 462011 • **Dewas:** 27 Rmo House, Station Road, Above Maa Chamunda Gas Agency, Dewas - 455001 • **Indore:** 2nd Floor, 203-205 Balaji Corporate House, Above ICICI bank, 19/1 New Palasia, Near Curewell Hospital, Janjeerwala Square Indore, Indore - 452001 • **Jabalpur:** 3rd floor, R.R. Tower. 5, Lajpatkunj, Near Tayabali Petrol Pump, Jabalpur - 482001 • **Ratlam:** 1 Nagpal Bhawan, Free Ganj Road, Do Batti, Near Nokia Care, Ratlam - 457001 • **Sagar:** II floor, Above Shiva Kanch Mandir, 5 Civil Lines, Sagar, Sagar - 470002 • **Ujjain:** 101 Aashta Tower, 13/1 Dhanwantri Marg, Freeganj, Ujjain - 456010 • **Gwalior:** 2nd Floor, Rajeev Plaza, Jayendra Ganj, Lashkar, Gwalior - 474009 • **Morena:** Moti Palace, Near Ramjanki Mandir, Near Ramjanki Mandir, Morena - 476001 • **Rewa:** 1st Floor, Angoori Building, Besides Allahabad Bank, Trans University Road, Civil Lines, Rewa - 485001 • **Satna:** 1st Floor, Gopal Complex, Near Bus Stand, Rewa Road, Satna - 485001 • **Shivpuri:** 1st Floor, M.P.R.P. Building, Near Bank of India, Shivpuri - 473551 • **MAHARASHTHRA: Akola:** Yamuna Tarang Complex, Shop No 30, Ground Floor, N.H. No - 06, Murtizapur Road, Opp Radhakrishna Talkies, Akola - 444004 • **Amaravathi:** Shop No. 21, 2nd Floor, Gulshan Tower, Near Panchsheel Talkies, Jaistambh Square, Amaravathi - 444601 • **Aurangabad:** Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad - 431005 • **Chandrapur:** Shop No-6, Office No-2, 1st Floor, Rauts Raghuvanshi Complex, Beside Azad Garden Main Road, Chandrapur - 442402 • **Dhule:** Ground Floor Ideal Laundry, Lane No 4, Khol Galli, Near Muthoot Finance, Opp Bhavasar General Store, Dhule - 424001 • **Jalgaon:** 269, Jaee Vishwa, 1st Floor, Baliram Peth, Above United Bank of India, Near Kishor Agencies, Jalgaon - 425001 • **Nagpur:** Plot No 2/1 House No 102/1, Mata Mandir Road, Mangaldeep Appartment, Opp Khandelwal Jewelers, Dharampeth, Nagpur - 440010 • **Nanded:** Shop No.4, Santakripa Market, G G Road, Opp. Bank of India, Nanded - 431601 • **Nasik:** S-9, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik - 422002 • **Kolhapur:** 605/1/4 E Ward, Shahupuri 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur - 416001 • **Mumbai:** 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg, Fort - 400001 • **Shivaji Nagar, Pune:** Mozaic Bldg, CTS No.1216/1, Final Plot No. 576/1 TP, Scheme No.1, F C Road, Bhamburda, Shivaji Nagar, Pune - 411004 • **Solapur:** Block No 06, Vaman Nagar, Opp D-Mart, Jule Solapur, Solapur - 413004 • **MEGHALAYA: Shillong:** Annex Mani Bhawan, Lower Thana Road, Near R K M LP School, Shillong - 793001 • **NEW DELHI: New Delhi:** 305 New Delhi House, 27 Barakhamba Road, New Delhi - 110001 • **ORISSA: Balasore:** M.S Das Street, Gopalgaon, Balasore, Orissa, Balasore - 756001 • **Berhampur (Or):** Opp Divya Nandan Kalyan Mandap, 3rd Lane Dharam Nagar, Near Lohiya Motor, Berhampur (Or) - 760001 • **Bhubaneswar:** A/181, Back Side of Shivam Honda Show Room, Saheed Nagar, Bhubaneswar - 751007 • **Cuttack:** Opp Dargha Bazar Police station, Dargha Bazar, Po - Buxi Bazar, Cuttack - 753001 • **Rourkela:** 1st Floor Sandhu Complex, Kachery Road, Uditnagar, Rourekla - 769012 • **Sambalpur:** Koshal Builder Complex, Near Goal Bazaar Petrol Pump, Sambalpur - 768001 • **PONDICHERRY: Pondicherry:** Building No: 7, 1st Floor, Thiayagaraja Street, Pondicherry - 605001 • **PUNJAB: Amritsar:** 72-A, Taylor'S Road, Opp Aga Heritage Club, Amritsar - 143001 • **Bhatinda:** #2047-A 2nd Floor, The Mall Road, Above Max New York Life Insurance, Bhatinda - 151001 • **Ferozepur:** The Mall Road, Chawla Bulding, 1st Floor, Opp. Centrail Jail, Near Hanuman Mandir, Ferozepur - 152002 • **Hoshiarpur:** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Hoshiarpur - 146001 • **Jalandhar:** 1st Floor,Shanti Towers, SCO No. 37, PUDA Complex, Opposite Tehsil Complex, Jalandhar - 144001 • **Ludhiana:** SCO - 136, 1st Floor Above Airtel Showroom, Feroze Gandhi Market, Ludhiana - 141001 • **Moga:** 1st Floor, Dutt Road, Mandir Wali Gali, Civil Lines, Barat Ghar, Moga - 142001 • **Pathankot:** 2nd Floor, Sahni Arcade Complex, Adj.Indra colony Gate Railway Road, Pathankot, Pathankot - 145001 • **Patiala:** SCO 27 D, Chotti Baradari, Near Car Bazaar, Patiala - 147001 • **RAJASTHAN: Ajmer:** 302, 3rd Floor, Ajmer Auto Building, Opposite City Power House, Jaipur Road, Ajmer - 305001 • **Alwar:** 101, Saurabh Tower, Opp. UIT, Near Bhagat Singh Circle, Road No. 2, Alwar - 301001 • **Bhilwara:** Shop No. 27-28, 1st Floor, Heera Panna Market, Pur Road, Bhilwara - 311001 • **Bikaner:** 70-71, 2nd Floor, Dr. Chahar Building, Panchsati Circle, Sadul Ganj, Bikaner - 334003 • **Jaipur:** S16/A IIIrd Floor, Land Mark Building, Opp Jai Club, Mahaver Marg C Scheme, Jaipur - 302001 • **Jodhpur:** 203, Modi Arcade, Chopasni Road, Jodhpur, 342001 • **Kota:** Plot No. 259, 1st Floor, Near Lala Lajpat Rai Circle, Shopping Centre, Kota - 324007 • **Sikar:** First Floor, Super Tower, Behind Ram Mandir Near Taparya Bagichi, Sikar - 332001 • **Sri Ganganagar:** 35E Block, Opp: Sheetla Mata Vaateka Sri Ganganagar, Sri Ganganagar - 335001 • **Udaipur:** 201-202, Madhav Chambers, Opp G P O, Chetak Circle, Udaipur - 313001 • **TAMIL NADU: Chennai:** F-11, Akshaya Plaza, 1st Floor, 108, Adhithanar Salai, Egmore, Opp To Chief Metropolitan Court, Chennai - 600002 • **Coimbatore:** 3rd Floor, Jaya Enclave, 1057 Avinashi Road, Coimbatore - 641018 • **Dindigul:** No: 9 Old No:4/B, New Agraharam, Palani Road, Dindigul - 624001 • **Erode:** No: 4, Veerappan Traders Complex, KMY Salai, Sathy Road, Opp. Erode Bus Stand, Erode - 638003 • **Karaikudi:** No. 2, Gopi Arcade, 100 Feet Road, Karaikudi - 630001 • **Karur:** No.6, old No. 1304, Thiru-vi-ka Road, Near G.R. Kalyan Mahal, Karur - 639001 • **Madurai:** Rakesh Towers, 30-C, 1st Floor, Bye Pass Road, Opp Nagappa Motors, Madurai - 625010 • **Nagercoil:** HNO 45, 1st Floor, East Car Street, Nagercoil - 629001 • **Namakkal:** 105/2, Arun Towers, Paramathi Road, Namakkal - 637001 • **Pollachi:** 146/4, Ramanathan Building, 1st Floor New Scheme Road, Pollachi - 642002 • **Pudukottai:** Sundaram Masilamani Towers, Ts No. 5476 - 5479, Pm Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai - 622001 • **Rajapalayam:** Sri Ganapathy Complex, 14B/5/18, T P Mills Road, Virudhungar Dist, Rajapalayam - 626117 • **Salem:** NO 3/250, Brindavan Road, 6th Cross,Perumal kovil back side, Fairland's, Salem - 636016 • **Sivakasi:** 363, Thiruthangal Road, Opp: TNEB, Sivakasi - 626123 • **Thanjavur:** No. 70, Nalliah Complex, Srinivasam Pillai Road, Tanjore - 613001 • **Tirunelveli:** 55/18, Jeney Building, S N Road, Near Aravind Eye Hospital, Tirunelveli - 627001 • **Tirupur:** First floor, 244 A, Above Selvakumar Dept Stores, Palladam Road, Opp to Cotton market Complex, Tirupur - 641604 • **Trichy:** 60, Sri Krishna Arcade, Thennur High Road, Trichy - 620017 • **Tuticorin:** 4 - B, A34 - A37, Mangalmal Mani Nagar, Opp. Rajaji Park, Palayamkottai Road, Tuticorin - 628003 • **Vellore:** No. 6, Nexus Towers, 2nd Floor, Officer's Line, Above Peter England & Bata Showroom opp. To Voorhees School, Vellore - 632001 • **TELANGANA: Hyderabad:** Karvy House, No: 46, 8-2-609/K, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500034 • **Hyderabad (Gachibowli):** KARVY Selenium, Plot No: 31 & 32, Tower B, Survey No. 115/22, 115/24, 115/25, Financial District, Gachibowli, Nanakramguda, Serilimgampally Mandal, Hyderabad - 500032 • **Karimnagar:** D. No: 2-10-1298, 2nd Floor, Rathnam Arcade, Jyothi Nagar, Karimnagar - 505001 • **Nizamabad:** H. No: 5-6-430, Above Bank of Baroda, First Floor, Beside HDFC Bank, Hyderabad Road, Nizamabad - 503003 • **Warangal:** H. NO. 1-8-533, Beside: Suprabha Hotel, Nakkalagutta, Ward No.1, Hanamkonda, Warangal - 506001 • **TRIPURA: Agartala:** Bidurkarta Chowmuhani, J N Bari Road, Tripura (West), Agartala - 799001 • **UNION TERRITORY: Chandigarh:** SCO- 2423-2424, Above Mirchi Restaurent, New Aroma Hotel, First Floor, Sector 22-C, Chandigarh - 160022 • **UTTAR PRADESH: Agra:** 1st Floor, Deepak Wasan Plaza, Behind Holiday Inn, Sanjay Place, Agra - 282002 • **Aligarh:** 1st Floor, Kumar Plaza, Ramghat Road, Aligarh - 202001 • **Allahabad:** Rsa Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad - 211001 • **Azamgarh:** 1st Floor, Alkal Building, Opp. Nagaripalika, Civil Line, Azamgarh - 276001 • **Bareilly:** 1st Floor, Rear Side A - Square Building, 154-A, Civil Lines, Opp. D.M. Residence, Station Road, Bareilly, Bareilly - 243001 • **Deoria:** 1st Floor, Shanti Niketan, Opp. Zila Panchayat, Civil Lines, Deoria - 274001 • **Ghaziabad:** 1st Floor C-7, Lohia Nagar, Ghaziabad - 201001 • **Ghazipur:** 2nd Floor, Shubhra Hotel Complex, Mahaubagh, Ghazipur - 233001 • **Gonda:** Shri Market, Sahabgunj, Station Road, Gonda - 271001 • **Gorakpur:** Above V.I.P. House Ajdacent, A.D. Girls College, Bank Road, Gorakpur - 273001 • **Jaunpur:** R N Complex, 1-1-9-G, In Front of Pathak Honda, Ummarpur, Jaunpur - 222002 • **Jhansi:** 371/01, Narayan Plaza,Gwalior Road, Near Jeevan Shah Chauraha, Jhansi - 284001 • **Kanpur:** 15/46, B, Ground Floor, Opp: Muir Mills, Civil Lines, Kanpur - 208001 • **Lucknow:** 1st Floor, A. A. Complex, 5 Park Road, Hazratganj, Thaper House, Lucknow - 226001 • **Mandi:** 149/11, School Bazaar, Near UCO Bank, Opp. Hari Mandir, Mandi - 175001 • **Mathura:** Ambey Crown, 2nd Floor, In Front of BSA College, Gaushala Road, Mathura - 281001 • **Meerut:** 1st Floor, Medi Centre Opp. ICICI Bank, Hapur Road, Near Bachha Park, Meerut - 250002 • **Mirzapur:** Abhay Yatri Niwas, 1st Floor, Abhay Mandir, Above HDFC Bank, Dankin Gunj, Mirzapur - 231001 • **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank,Chowk Tari Khana, Moradabad - 244001 • **Noida:** 405, 4th Floor, Vishal Chamber, Plot No. 1, Sector-18, Noida - 201301 • **Renukoot:** Radhika Bhavan, Opp. Padmini Hotel, Murdhwa, Renukoot, Renukoot - 231217 • **Saharanpur:** 18 Mission Market, Court Road, Saharanpur - 247001 • **Shaktinagar:** 1st/A-375, V V Colony, Dist Sonebhadra, Shaktinagar - 231222 • **Sitapur:** 12/12-A Sura Complex, Arya Nagar Opp, Mal Godam, Sitapur - 261001 • **Sultanpur:** 1077/3, Civil Lines Opp Bus Stand, Civil Lines, Sultanpur - 228001 • **Varanasi:** D-64/132 1st Floor, Anant Complex, Sigra, Varanashi - 221010 • **UTTARANCHAL: Dehradun:** Kaulagarh Road, Near Sirmaur Margabove, Reliance Webworld, Dehradun - 248001 • **Haldwani:** Above Kapilaz, Sweet House, Opp LIC Building,Pilikothi, Kaladhungi Road, Haldwani - 263139 • **Haridwar:** 7, Govindpuri, Opposite 1-India Mart, Above Raj Electricals, Ranipur More, Haridwar, 249401 • **Roorkee:** Shree Ashadeep Complex, 16, Civil Lines, Near Income Tax Office, Roorkee, 247667 • **WEST BENGAL: Asansol:** 114/71 G T Road, Bhanga Panchil Near Nokia Care, Asansol, 713303 • **Bankura:** Plot Nos- 80/1/A, Natunchati Mahalla, 3rd floor, Ward no-24, Opposite P.C Chandra, Bankura Town, Bankura - 722101 • **Barhampore (WB):** Thakur Market Complex, Gorabazar, Post Berhampore Dist Murshidabad, 72 No Nayasarak Road, Barhampore (WB) - 742101 • **Burdwan:** Anima Bhavan, 1st Floor, Holding No.- 42, Sreepally, G. T. Road, West Bengal, Burdwan - 713103 • **Chinsurah:** J C Ghosh Saranu, Bhanga Gara, Chinsurah, Hooghly, Chinsurah - 712101 • **Durgapur:** MWAV-16 Bengal Ambuja, 2nd Floor City Centre, Distt. Burdwan, Durgapur - 713216 • **Jalpaiguri:** D B C Road Opp Nirala Hotel, Jalpaiguri - 735101 • **Kharagpur:** 180 Malancha Road, Beside Axis Bank Ltd, Kharagpur - 721304 • **Kolkata:** Apeejay House (Beside Park Hotel), C Block, 3rd Floor, 15 Park Street, Kolkata - 700016 • **Malda:** Sahis Tuli, Under Ward No.6, No.1 Govt Colony, English Bazar Municipality, Malda - 732101 • **Siliguri:** Nanak Complex, Sevoke Road, Siliguri - 734001.

LIST OF KARVY - CUSTOMER CARE CENTRES/OPATs FOR NON-LIQUID SCHEME TRANSACTIONS ONLY:

• **BANGALORE: Koramangala** - Aaryaa Center, 1st Floor, Municipal No: 01; Mig Khb colony, 1 A cross, 5th block, opp: Post Office Koramangala, Bangalore - 560 095 | **Malleswaram** - No. 337, Gf-3, Karuna Complex, Sampige Road, Opp: New Vegetable Market, Malleshwaram, Bangalore - 560 003. • **CHENNAI: Adyar** - Gokul Arcade, Office No 1, 6th Floor, No. 2, Sardar Patel Road (Landmark: Next To Airtel Show Room), Adyar, Chennai - 600 020 | **Annanagar** - T 92, Ground Floor, 3rd Avenue Main Road, Annanagar, Chennai - 600 040 | **Nanganallur** - No 155/7, Ullagaram, Medavakkam Main Road, (Opp to IDBI ATM), Madipakkam, Chennai - 600 061 | **T Nagar** - G1, Ground Floor, No 22, Vijayaraghava Road, Swathi Court, T Nagar, Chennai - 600 017 • **HYDERABAD: Secunderabad** - Crystal Plaza 2nd Floor, Manday Lane, Near Sunshine Hospital, P G Road, Secunderabad - 500 003. • **KOLKATA:** Dalhousie - 2nd Floor, Room no - 226, R N Mukherjee Road, Kolkata - 700 001. • **LUCKNOW: Aliganj** - Hig-67, Sector E, Aliganj, Lucknow - 226 024 | **Alambagh** - Ksm Tower, Cp-1 Sinder Dump, Near Alambagh Bus Station, Alambagh, Lucknow - 226 005 | **Gomtinagar** - B-1/2, Vijay Khand, Near Union Bank Of India, Gomti Nagar, Lucknow - 226 010. • **MUMBAI: Andheri** - 6 & 7, 131 Andheri Industrial Estate, Veera Desai Road, Andheri (west), Mumbai - 400 053 | **Borivali** - Gomati Smuti, Ground Floor, Jambli Gully, Near Railway Station, Borivali, Mumbai - 400 092 | **Chembur** - Shop No 4 , Ground Floor, Shram Saflya Bldg, N G Acharya Marg, Chembur, Mumbai - 400 071 | **Thane** - Flat No. 201, 2nd Floor, "Matru Chhaya" Bldg., Above Rejewel Jewellery Showroom, Opp. Bedekar Hospital, Near Gaodevi Ground, Mumbai - 400 602 | **Vashi** - Shop no. 153 B, Ground Floor, Vashi Plaza, Sector - 17, Near Apna Bazar, Vashi, Mumbai - 400 705 | **Vile Parle** - 104, Sangam Arcade, V P Road, Opp: Railway Station, Above Axis Bank Atm, Vile Parle (west), Mumbai - 400 056.

US seeks 'rapid action' by India to ease J&K curbs

PRESS TRUST OF INDIA
United Nations, September 27

THE US HOPES to see "rapid action" by India to lift restrictions imposed in Kashmir and release of those detained, a senior official has said, a day after President Donald Trump offered to arbitrate or mediate between India and Pakistan to ease their tensions.

Alice Wells, the top State Department official for South Asia, made the comments on Thursday after President Trump held separate talks with Prime Minister Narendra Modi and Pakistan Prime Minister Imran Khan on the sidelines of the 74th Session of the United Nations General Assembly here.

Trump on Wednesday said he offered "arbitration or mediation" on the Kashmir issue to the leadership of India and Pakistan during his meetings with Modi and Khan and the two nuclear-armed neighbours have to "just work it out".

Prime Minister Narendra Modi addresses the 74th session of the United Nations General Assembly in New York on Friday

Responding to questions on the Kashmir issue during a special briefing here, Wells noted that after India revoked Jammu and Kashmir's special status on August 5, Prime Minister Modi had laid out a plan and objectives of returning Kashmir political life and restoration of — even of state status and engagement with a new generation of political leaders.

"I think we are interested in knowing the next steps in engagement and encouraging that political dialogue to begin, in which we'll also in the next — we hope to see rapid action in the lifting of the restrictions and in the release of those who have been detained," she said, apparently referring to Prime Minister Modi's address to the nation on August 8.

The government revoked the provisions of Article 370 to take away the state's special status and bifurcated the region into two UTs — Jammu and Kashmir and Ladakh. India's move has angered Pakistan, which has been trying to internationalise the Kashmir issue.

Wells said the US would welcome any steps that would benefit the Kashmiri people economically.

"But right now, the focus I think has been on the return to political life and to a dialogue between the parties," she said.

This is a issue that members of the US Congress have raised in letters that they have sent to the Trump administration, she said, adding that the Congress has called for testimony on human rights in South Asia.

Wells said the US has raised concerns on Kashmir "at the highest levels", without specifying whether Trump brought up Kashmir with Modi during their talks here.

"I think that what the President underscored was Prime Minister Modi's commitment that he made – that he's made publicly to the people of India and to the people of Kashmir," Wells said.

She said the US would welcome steps that would lead to increased economic growth and the well-being of the Kashmiri people. That is also obviously going to require there to be a normalised political environment and the involvement and engagement of the residents of Kashmir, she said.

US asks Pak to prosecute terrorists like Saeed, Azhar

PRESS TRUST OF INDIA
United Nations, September 27

THE US HAS asked Pakistan to prosecute terrorists like Hafiz Saeed and Masood Azhar, saying the reduction of the Indo-Pak tensions would depend on Islamabad's seriousness in taking action against those who engage in "cross-border infiltration".

Alice Wells, US acting assistant secretary for South and Central Asia, during a special briefing during the 74th Session of the United Nations General Assembly, when asked about President Donald Trump's offer to mediate on the Kashmir issue, said, "I think Prime Minister (Narendra) Modi has made it clear his position that he's not seeking mediation."

Trump met Prime Minister Modi and Pakistan premier Imran Khan separately on the sidelines of the UN General Assembly session here this week.

The President is willing to mediate if asked by both parties, she said.

"I think what we would like to see are the conditions whereby India and Pakistan can have a constructive conversation that leads to an improvement of relations between the two nuclear powers," she said.

"And obviously, that is going to hinge off counter-terrorism, Pakistan's seriousness of effort in ensuring that groups don't take advantage and engage in cross-border infiltration, that there are serious steps to implement the Financial Action Task Force action plan that Pakistan has committed to, and which includes the prosecution of UN-designated terrorists," Wells said. "So whether it's Hafiz Saeed who currently is in custody and under prosecution, but also leaders of Jaish-e-Mohammed, like Masood Azhar, who long have been able to exploit their presence on Pakistani soil," she added.

She also criticised Khan for not speaking out against China, which has detained an estimated one million Uyghurs and other Turkic-speaking Muslims in Xinjiang province.