

GOLD

₹39,160

RUPEE

₹71.02

OIL

\$58.40

SILVER

₹46,900

*Indian basket as on October 10, 2019

*International market data till 1900 GMT

SECTOR WATCH
AVIATION

Inform passengers about flight delays every 30 minutes: DGCA to airlines

PRANAV MUKUL
NEW DELHI, OCTOBER 11

FOLLOWING A meeting with top airline officials on Thursday, the Directorate General of Civil Aviation (DGCA) asked operators on Friday to send text messages after every 30 minutes to passengers whose flight has been delayed, cancelled or whose boarding gates have been changed.

So far, in 2019, a total of 7,916 passenger-related complaints have been received by scheduled airlines, according to the data compiled by the DGCA. Speaking with *The Indian Express* about Thursday's meeting, a senior DGCA official said: "We had a very cordial meeting and all of us resolved to improve things further. The desire is to improve things further".

In the letter written to the airlines on Friday, the DGCA stated: "Prompt redressal of passenger complaints should be the top most priority and must be attended to as per the relevant provisions of the CARs (civil aviation requirements)".

"The airlines should make all efforts to send SMS in case there is a delay in flight beyond 30 minutes or a boarding gate change has taken place at the airport," it said. The regulator has also asked the travel agents to share the mobile number of passengers with the airlines for ease in sending flight information updates.

DGCA chief Arun Kumar on Thursday held a meeting with the appellate authority and nodal officers of all scheduled domestic airlines to discuss matters related to passengers' grievance redressal, following several complaints by passengers on social media regarding practices adopted by various airlines in case of flight delays and cancellations.

In the letter, the DGCA

So far in 2019, a total of 7,916 passenger-related complaints have been received by scheduled airlines, according to the data compiled by the DGCA

noted that "airlines must send repeated SMS after every 30 minutes to keep the passengers updated for the flight delay/cancellation/boarding gate change". "The airlines must keep close coordination with their travel agents. The travel agents must share the mobile numbers of the travelling passenger with the airlines for flight information updates," it added.

If a ticket has to be refunded through a travel agent, the airlines must ensure that it happens in a timely manner, the DGCA pointed out. The regulator also said that airlines must give all necessary assistance to the passengers for their connecting flights.

"Airlines must ensure proper conduct and behaviour of their employees towards passengers," it said, adding that complaints on social media platforms such as Twitter and Facebook should be attended to promptly and, to the extent possible, must be resolved.

The Ministry of Civil Aviation, in November 2016, launched the AirSewa portal and mobile app for passengers to file complaints related to flights and airports. In February this year, the government also released a charter of passenger rights detailing various scenarios of passenger grievances and defined specific liabilities of airlines in case of issues such as flight delays, cancellations, diversions and loss of baggage.

DOMESTIC CAR SALES WERE DOWN 33.4% IN SEPTEMBER

Passenger vehicle sales fall 23%; decline for 11th straight month

ENSECONOMIC BUREAU
NEW DELHI, OCTOBER 11

ONSET OF the festive season failed to lift buyer sentiment and pull the automobile industry out of a prolonged slowdown, as passenger vehicle wholesales in India declined for the 11th consecutive month in September, with passenger vehicle sales — considered to be a proxy of urban demand — dropped 23.69 per cent year-on-year to 2,23,317 units.

However, with buoyant demand witnessed during this year's Navratri, the Society of Indian Automobile Manufacturers (SIAM), which released the data on Friday, said, "green shoots are visible now" and hoped that various steps taken by the government to boost the economy will help sustain it.

Passenger vehicle (PV) sales witnessed the worst fall in over two decades in August, slumping by 31.57 per cent to 1,96,524 units from 2,87,198 units a year ago. In September, domestic car sales were down 33.4 per cent to 1,31,281 units last month, as against 1,97,124 units in the year-ago month, SIAM said.

The month saw motorcycle sales dropping to the lowest-ever level in over two decades, while commercial vehicle sales declined the worst since January 2009,

EXPLAINED
No respite for auto sector, signs of slowdown intensify

THE SITUATION for the automobile sector does not seem to be improving as the industry witnessed sales decline for the 11th straight month.

As automobile companies now hope for a revival in the festive season, October sales figure will determine whether the consumer sentiments turned positive following a host of measures announced by the central government, including increase in dearness allowance for government employees and cut in corporate tax rates. SIAM president Rajan Wadhwa said the PV segment was impacted due to a slowing economy and floods in key markets.

when sales declined 67.6 per cent.

Motorcycle sales in September declined 23.29 per cent to 10,43,624 units as against 13,60,415 units a year earlier.

In September, total two-wheeler sales, which are reflective of rural consumption patterns, declined 22.09 per cent to 16,56,774 units compared to 21,26,445 units in the year-ago month.

Similarly, sales of commercial vehicles were down 39.06 per cent to 58,419 units in September as compared with 95,870 units in the same period of last year, SIAM said. Vehicle sales across categories registered a decline of 22.41

per cent to 20,04,932 units from 25,84,062 units in September 2018, it added.

SIAM president Rajan Wadhwa said the PV segment was impacted due to a slowing economy, floods in key markets and low demand in rural markets.

He, however, expressed hope that with the government announcing various measures to lift the economy, the auto industry may see things improving over the next few months.

"We believe this could be that fly wheel that the industry was looking forward to and I think on the small base of last year's sec-

RCEP should not lead to job losses: SIAM

New Delhi: The poposed mega trade deal RCEP should not lead to job losses, and hurt the government's Make in India initiative, auto industry body SIAM cautioned on Friday ahead of the trade ministers' meeting of the bloc in Bangkok.

Trade ministers of RCEP countries will discuss issues in a meeting in Bangkok on October 12. **PTI**

ond half, this year's second half could probably give us little bit growth," he added.

On the other hand, September retail sales data showed a better picture, pointing to inventory correction taking place in the industry.

According to the retail sales data, total automobile sales were up by 6.48 per cent at 17,32,617 units, compared to 16,27,138 units in September 2018.

Similarly, PV sales stood at 2,53,012 units last month, compared with 2,34,012 units in the same month of last year, an increase of 7.98 per cent.

Bank credit posts single-digit growth first time this year

For the first time this fiscal year, bank credit growth slowed to single digit — a low of 8.79 per cent at Rs 97.71 lakh crore in the fortnight to September 27, according the latest data from the Reserve Bank of India

₹89.82 lakh cr
Advances in the year-ago fortnight period

10.26% growth to Rs 97.01 lakh crore in the previous fortnight ended September 13

6.8% rise in loans to agriculture and allied activities in August, compared to an increase of 6.6 per cent in the same month of last year

13.3% deceleration in credit growth to the services sector in August, from 26.7 per cent



DEPOSIT GROWTH slowed to 9.38 per cent at Rs 129.06 lakh crore from Rs 118 lakh crore a year ago, the RBI said,

adding deposits had grown 10.02 per cent in the fortnight to September 13

NON-FOOD CREDIT GROWTH decelerated to 9.8 per cent in August 2019 from 12.4 per cent in August 2018 on an annualised basis, as per the RBI data

PERSONAL LOAN growth moderated to 15.6 per cent in August 2019 from 18.2 per cent in August 2018

ADVANCES TO the industry accelerated during the reporting period — more than doubling by 3.9 per cent in August from 1.9 per cent in August last year

GST may have flaws, but it's the law now: FM

EXPRESSNEWS SERVICE
PUNE, OCTOBER 11

FINANCE MINISTER Nirmala Sitharaman said on Friday that the government was committed to bringing in deep structural reforms and the decision to cut corporate tax last month was evidence of its commitment.

She also said that she is in touch with representatives of the automobile industry and is taking efforts to accommodate their demands.

Sitharaman addressed a press conference in Pune as part of the BJP's Assembly election campaign. She also interacted with

businessmen, industrialists and chartered accountants.

"We are committed to deep structural reforms. After the Budget, every week or once in 10 days, I have made important announcements. They are not just for temporary easing of issues. For example, the corporate tax cut was not just a tax cut but it came with a complete structural overhaul. We gave a system through which you will join in a tax, and pay a certain level of tax without any exemption complicating the process," said the FM.

"I am interacting with the automobile sector players from all over the country. They have met me twice in Delhi. It is true that



Finance Minister Nirmala Sitharaman at a press conference in Pune on Friday. *Ashish Kale*

consumer demand has not revived for the automobile sector. If any sector wants anything in particular, they can always talk to

me," Sitharaman said.

At the interaction, Sitharaman was asked a question by a cost accountant who sought her time for

a meeting in Delhi with a few colleagues to offer 'five suggestions' to simplify the GST. He said that in the present form "everyone was cursing it", to which the Finance Minister replied: "... We can't suddenly say what a god damned structure is this ... It's only been two years. I wish from Day 1 it had met your satisfaction. But I'm sorry it has not. But all of us were a party to it. Let's own it up. On GST, I want each of us to give us solutions for better compliance. I will hear all views but we can't just damn it. It's been passed in Parliament. It's been passed in every state assembly. It might have its flaws ... But it's a *kanoon* of this country."

DIPAM invites advisors for strategic sale of BPCL and four other PSUs

ENSECONOMIC BUREAU
NEW DELHI, OCTOBER 11

RACING AGAINST time to conclude strategic sales, which will play a pivotal role to achieve the Rs 1.05 lakh crore-disinvestment revenue target in FY20, the Department of Investment and Public Asset Management (DIPAM) on Friday invited requests for proposals from eligible parties to work as transaction and legal advisors, and asset valuers for five PSUs.

Besides its 53.29 per cent stake in BPCL, the core group of

secretaries on disinvestment has recently approved the sale of its 63.75 per cent stake in Shipping Corporation, 30 per cent in Container Corporation of India (Concor), 100 per cent in NEEPCO and 75 per cent in THDC.

While the stakes in first three companies are to be sold to private parties, the stakes in NEEPCO and THDC are likely to be sold to another PSU, possibly NTPC.

The current market value of the government's stake to be offloaded in these companies is estimated to be about Rs 90,000 crore — 86 per cent of the disin-

vestment revenue target for this fiscal year.

While inviting proposals from advisors, DIPAM named the administrative ministries but skipped naming the PSUs as Cabinet approval is still awaited for these sales.

The strategic disinvestment of BPCL would be crucial for the Centre to garner a record disinvestment receipt in FY20, up from Rs 85,000 crore in FY19 (helped by PFC purchase of the government's stake in REC) and Rs 1 lakh crore in FY18 (thanks to ONGC's purchase of the Centre's stake in HPCL). **FE**

Oil prices rise after reports of Iranian tanker attack in Red Sea

REUTERS
LONDON, OCTOBER 11

OIL PRICES rose as high as \$60.65 a barrel on Friday after Iranian media said a state-owned oil tanker had been struck by missiles in the Red Sea near Saudi Arabia, but beariish oil demand forecasts soon pulled crude off session highs.

The Iranian Suezmax crude tanker Sabiti was ablaze and suffered heavy damage after being hit by two missiles, Iranian media reported. Both oil benchmarks recorded their biggest daily rise since Sept. 16, the first trading day after the attacks on Saudi installations knocked out more than half of the kingdom's crude output and temporarily pushed oil prices up by about 20 per cent.

International benchmark Brent crude futures were up 98

Brent crude futures were up 98 cents at \$60.08 a barrel by 0936 GMT. US West Texas Intermediate crude futures rose 95 cents to \$54.50

cents at \$60.08 a barrel by 0936 GMT. US West Texas Intermediate (WTI) crude futures rose 95 cents to \$54.50.

Iranian oil exports are under US sanctions that have diminished Iran's impact on the global supply picture. "The market still has fresh memories of the Saudi Arabia attacks and the very quick price reversals afterwards. The price results of attacks this year have not been sustained in terms of risk premium," said

Petromatrix analyst Olivier Jakob. "In terms of oil prices, the impact is limited unless you think Iran is going to retaliate in the Strait of Hormuz ... It's going to be more supportive in the freight market. Potentially it can increase insurance premiums (on tankers)."

The United States has issued sanctions on units of Chinese shipper COSCO, alleging involvement in ferrying crude out of Iran, which has boosted rates for oil tankers. Tensions in the Middle East have escalated in the wake of attacks on tankers and US drones in the Strait of Hormuz, a key shipping artery for global oil trade.

The International Energy Agency on Friday said that global oil markets had recovered quickly from the Saudi attacks and even face oversupply next year as global demand slows.

THE JOINT AUTHORITIES TECHNICAL REVIEW WAS COMMISSIONED BY THE FAA

‘FAA failed to properly review 737 MAX’s anti-stall system’

DAVID SHEPARDSON & JAMIE FREED
WASHINGTON/SINGAPORE, OCTOBER 11

A PANEL of international air safety regulators on Friday harshly criticised the US Federal Aviation Administration's (FAA) review of a safety system on Boeing's 737 MAX airliner later tied to two crashes that killed all 346 people aboard.

The Joint Authorities Technical Review (JATR) was commissioned by the FAA in April to look into the agency's oversight and approval of the so-called MCAS anti-stall system.

The report also faulted Boeing for assumptions it made in designing the airplane and



Boeing 737 MAX aircraft at Boeing facilities at the Grant County International Airport in Washington. *Reuters File photo*

found areas where Boeing could improve processes.

"The JATR team found that the MCAS was not evaluated as a complete and integrated function in the certification docu-

ments that were submitted to the FAA," the 69-page series of findings and recommendations said.

"The lack of a unified top-down development and evalu-

ation of the system function and its safety analyses, combined with the extensive and fragmented documentation, made it difficult to assess whether compliance was fully demonstrated."

Boeing did not directly address the report's findings but said it "is committed to working with the FAA in reviewing the recommendations and helping to continuously improve the process and approach used to validate and certify airplanes."

Regulators around the world continue to scrutinise proposed software changes and training revisions from Boeing aimed at returning the Boeing 737 MAX to service.

Boeing's top-selling airplane has been grounded worldwide

since a March 10 crash in Ethiopia killed 157 people, five months after a Lion Air 737 MAX crashed in Indonesia, killing 189 people on board. Major US airlines including Southwest Airlines Inc and American Airlines Inc currently do not expect 737 MAX flights to resume before January.

The JATR draft recommendations, obtained by *Reuters* ahead of their release on Friday, also said the FAA's longstanding practice of delegating "a high level" of certification tasks to manufacturers such as Boeing needs significant reform to ensure adequate safety oversight.

"With adequate FAA engagement and oversight, the extent of delegation does not in itself compromise safety," the report said. **REUTERS**

