# You too had 5 yrs, stop blaming UPA, Manmohan snaps at NDĂ

Former PM hits back at the FM for saying banking sector was at its worst phase under Singh, Rajan

#### PRESS TRUST OF INDIA Mumbai 17 October

were some "weaknesses" ✓ in his regime, former prime minister Manmohan Singh said here on Thursday that the Narendra Modi government should stop blaming the UPA for every economic crisis, as five years was sufficient time to come up with solutions.

Addressing a press conference ahead of Maharashtra elections, he was replying to a question on Finance Minister Nirmala Sitharaman's comments in the US, where she said the banking sector passed through its worst phase during the tenures of Singh and former RBI Governor Raghuram Rajan.

The NDA government should have learnt from the UPA's "mistakes", and provided "credible solutions", Singh said.

Had the NDA government learnt from the mistakes, fraudaccused jeweler Nirav Modi and

### YOU CANNOT **CLAIM THE FAULT**

onceding that there LIES WITH THE UPA, YOU HAVE BEEN IN OFFICE FOR FIVE AND A HALF YEARS AND THAT IS LONG ENOUGH PERIOD FOR A GOVERNMENT COMMITTED TO PUBLIC WELFARE TO DO SOME **CREDIBLE THINGS** 

> MANMOHAN SINGH former PM

other loan defaulters would not have fled with public money, or the banks' situation would not have gone from "bad to worse", Singh said.

"You cannot claim year after year that the fault lies with the UPA (United Progressive Alliance), you have been in office for five and half years and that is long enough period for a government committed to pub-



Former PM Manmohan Singh and Congress leader Mallikarjun Kharge in Mumbai on Thursday

lic welfare to do some credible things. Merely passing the buck to UPA regime is no solution to India's problems," the former PM said.

Talking about his tenure as prime minister between 2004-14, Singh said, "What happened did happen. There were some weaknesses

"But this government has been in office for five and half

years, it should have learnt from our mistakes and provided credible solutions to those problems which are still affecting our economy." he said. "You may score some brown-

ie points, but you are not finding solutions to the problems of the suffering humanity of our country," Singh added.

Earlier, he said, "Before one can fix the economy, one needs

a correct diagnosis of its ailments. The government is obsessed about somehow trving to fix blame on the opponents, in the process it is unable to find the solutions that will ensure revival of the economy." Singh said India is in a

'vicious slowdown" and pegged the only "feasible" rate of growth that can be achieved now at 5.5-6 per cent, much below the 8-10 per cent essential to address India's needs.

Welcoming the corporate tax cuts, the economist-turned politician said the problem right now is lack of demand and suggested a cut in indirect taxes to address the issue. He blamed the Modi gov-

ernment for "deterioration in economic climate" of the country, adding that "double engine model" of governance

has failed. Singh said the government's apathy and incapability are affecting the future and aspirations of millions in the midst of

the slowdown.

PTI

## No better place to invest than in India, says FM

### PRESS TRUST OF INDIA

Washington, 17 October

Investors can find no better place in the world than India that has a democracy loving and capitalist respecting environment, Union Finance Minister Nirmala Sitharaman (pictured) has said. She also assured international investors at an interaction session at the IMF's headquarters that the government was continuously working to bringreforms.

"It (India) is one of the fastest growing (economies) even today. It has the best skilled manpower and a government that is continuously doing what is required in the name of reforms, above all democracy and rule of law," Sitharaman said on Wednesday.

Responding to a question on why investors should allocate funds for India, she said that even if the court system is a bit delayed, India is a transparent and open society.

The rule of law works and there are a lot of reforms happening, even those to cut down delays, she said.



"It (India) is one of the fastest growing even today. It has the best skilled manpower and a govt that is continuously doing what is required in the name of reforms. above all democracy and rule of law" NIRMALA SITHARAMAN **Finance Minister** 

"So you will not have anything better... democracy loving, capitalist respecting environment... in India."

could send her the details. Sitharaman said at the event The Union finance minishosted by the Federation of ter, however, said she will not be able to give them an assur-Indian Chambers of Commerce and Industry in association ance at this point of time, but

ing of the cap.

**Finance Minister Nirmala** 

headquarters on Wednesday PT

from major insurance compa-

nies, who urged her to remove

the cap on investment in this

sector, she said the govern-

ment needs to understand

what the expectations of the

sector are other than remov-

be quite open to it and they

Sitharaman said she would

Responding to questions

Sitharaman at the IMF

Partnership Forum.

with the US India Strategic and will work on the matter.

### 'Freak trades': Indiabulls Housing bond yields surge



ANUP ROY Mumbai, 17 October

ible debentures from time to time." IHFL said in its filing. This would take care of ₹1,000-core of Investors on Thursday pushed up the yields of a few Indiabulls Housing bonds outstanding. According to sources,

Finance (IHFL) bonds to as much as 43 the company may also consider an additional ₹2,500 crore of bond buybacks in per cent, which a senior executive of the the days to come. Late on Thursday evening, the com-A five-year maturity, 8.75 per cent

mature redemption of its non-convert-

pany notified exchanges that it offered coupon bond, issued on September 26, to buy back all its bonds maturing in 2016, with an annual interest payment November and December at par. "The schedule, shot up to 42.81 per cent. According to the BSE website, the

last traded price of the bond was ₹60.38, for a trade size of ₹135 crore. There were

two other bonds that were traded, albeit for a small value of ₹10 crore and ₹65 crore, respectively, in which the yields touched 43.04 per cent and 33.51 per cent, respectively. The coupons of these bonds were at 8.90 per cent (maturing on September 26, 2021) and 8.57 per cent

(maturing on March 30, 2022). Gagan Banga, managing director and vice-chairman of IHFL, said these were

'freak trades' done near the end of the

market closure.

"There are some motivated groups of people dragging down our equity prices. We are taking a number of actions against them," said Banga.

Assuring that the sharp rise in bond yields on a thinly traded basis is not a reflection of the company's fundamentals but a feature of a shallow bond market, Banga said the company has over ₹18.000 crore of cash that would cover its repayment obligations for the next 12 months at least.

### ADNOC partners Adani-BASF for \$4-bn complex

#### JYOTI MUKUL New Delhi, 17 October

The Abu Dhabi National Oil Company (ADNOC) has joined the Adani group for its entry into the chemicals business. In January, Adani had announced a partnership with German major BASF SE for the same. Along with ADNOC, Borealis

AG has also signed a memorandum of understanding (MoU) to conduct a joint feasibility study for setting up a chemical complex at Mundra (Gujarat).

The total investment in the chemical complex is estimated at \$4 billion, said a joint cial, and operational strengths

technology Borealis Borstar. The PP complex will be the first overseas production joint Reliance investment by ADNOC and Industries is a major supplier Borealis as part of a strategic framework with their current

The Adani partnership will

investment in a wind and

solar park, plans for which

are at an advanced stage.

The power generated from

this would be used in the

also evaluate co-

chemical complex

press statement on Thursday. With the inclusion of ADNOC and Borealis as potential partners, the parties are examining various structuring options for the chemical complex that will leverage the technical, finan-

Currently.

used as feedstock for a polypropylene (PP) complex, owned by ADNOC and Borealis, based on proprietary of each company," it said.

of petrochemicals, along with government-owned refiners. joint venture Borouge. Adani's entry into chemicals which the two groups will be through LNG and city gas disexploration and production.

which are at an advanced stage. complex. The collaboration includes evaluating a joint genation (PDH) plant to produce propylene-based on

The products will be prewill open a second front, in dominantly for India, across various industries including competing. Adani had moved construction, automotive, and into the natural gas business coatings. The complex in Mundra will be powered tribution, though it is not into through renewable energy resources. "If realised, it will be The Adani partnership will the world's first CO2-neutral also evaluate co-investment in petrochemical site to be fully a wind and solar park, plans for powered by renewable energy, in line with the partners' com-The power generated from this mitment to sustainability and will be used in the chemical energy efficiency," said the

press release. According to Sultan Al world-scale propane dehydro- Jaber, UAE Minister of State and ADNOC Group CEO, said: "As a value-adding partner, propane feedstock to be sup- ADNOC will play a crucial role as the propane feedstock sup-

Propylene will be partially plier to this project.

### IAG sells its stake in SBI General for over ₹3K cr

#### SUBRATA PANDA Mumbai, 17 October

plied by ADNOC.

Insurance Australia Group (IAG), the joint venture partner the general insurance company to two private equity investors for over ₹3,000 crore.

IAG will sell 16.01 per cent of General to Napean Opportunities, an affiliate of Premji Invest. The remaining 9.99 per cent will be acquired by WP Honey Wheat Investment of the Warburg Pincus group. Pushan Mahapatra, manag-

ing director and chief executive tion to support SBIG's contin- jointly hold 26 per cent.

ued growth and sustainable profitability. We would like to thank IAG for their efforts in successfully propelling SBIG on its growth path." On the stake sale, of State Bank of India (SBI) in IAG MD & CEO Peter Harmer SBI General Insurance, on said, "IAG has enjoyed a strong Thursday said it will sell its and successful relationship with entire stake of 26 per cent in SBI since establishing SBI General joint venture in 2009. With our sharpened focus on core territories of Australia and New Zealand, now is the right

its 26 per cent stake in SBI time of IAG to exit its investment in SBI General." IAG values the deal at over

640 million Australian dollars, which when converted to rupees at an exchange rate of ₹48/Australian dollar values the deal at ₹3,072 crore.

After the deal, SBI will still officer (MD&CEO), SBI General continue to be the majority Insurance, said, "We are glad to shareholder in the general welcome Premji Invest and insurance company with 70 per Warburg Pincus and look for- cent stake and Premji Invest ward to an enriching associa- along with Warburg Pincus will