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12 pages in 1 section
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WORLD P8
PROTESTS FORCE ALIBABA TO CALL OFF EVENT FOR HK SHARE SALE

WORLD P9
BILL GATES PIPS JEFF BEZOS AS WORLD'S RICHEST PERSON

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ANIL AMBANI RESIGNS AS RCOM DIRECTOR

Reliance Communications Chairman Anil Ambani, along with four directors, has resigned from the company, which is going through the insolvency process, according to a regulatory filing. The chief financial officer, Manikantan V, has also resigned. Apart from Ambani, Chhaya Virani and Manjari Kacker tendered their resignation as director on November 15, while Ryna Karani and Suresh Rangachar resigned on November 14 and November 13, respectively. The development comes a day after RCom posted a consolidated loss of ₹30,142 crore for the September quarter. ▶

COMPANIES P3
Sterling sees no impact on working capital

Even as promoters of Sterling & Wilson Solar have asked for a new debt repayment schedule, the company does not expect a delay in the same to impact its working capital requirements, according to top executives. The solar engineering, procurement and construction solutions provider has the Shapoorji Pallonji group and Khurshed Daruvala as promoters.

Sena wants Uddhav as CM, won't attend NDA meet

The Shiv Sena said on Saturday that it would not attend a meeting of NDA constituents on the eve of the winter session of Parliament, making clear that its exit from the BJP-led alliance was almost certain. As the party is holding talks with the Congress and the NCP for forming the government in Maharashtra, its Rajya Sabha MP Sanjay Raut said it wanted Uddhav Thackeray to be the chief minister.

COMPANIES P2
NBCC may revise bid for Jaypee Infra

NBCC is likely to take the responsibility of selling ₹1,750 crore worth of unsold flats of Jaypee Infratech, instead of offering them to lenders, in its fresh bid to acquire the debt-laden realty firm through the insolvency process, said people in the know. This was one of the reasons for lenders voting out NBCC's resolution plan in June. NBCC and Suraksha Realty are likely to submit their revised offers on Sunday, as sought by Interim Resolution Professional Anuj Jain.

RESULTS RECKONER

Quarter ended Sep 30, 2019; common sample of 2,110 companies (results available of 2,576)

SALES	2018	2019	% Change
Sep 30, '18	21.9%	₹19.95 trillion	▲
Sep 30, '19	0.2%	₹19.99 trillion	▲
PROFIT BEFORE TAX			
Sep 30, '18	1.0%	₹1.87 trillion	▲
Sep 30, '19	-28.8%	₹1.33 trillion	▼
NET PROFIT			
Sep 30, '18	-4.4%	₹1.24 trillion	▼
Sep 30, '19	-35.0%	₹80,685 crore	▼

Companies with zero sales excluded; Given the change in corporate tax rates, to give a fair comparison the profit before tax has been considered; Compiled by BS Research Bureau; Source: Capitaline

Das calls for tighter governance at PSBs

Blames lack of it for elevated levels of NPAs, capital shortfalls, fraud

ANIRBAN NAG
Mumbai, 16 November

Reserve Bank of India governor Shaktikanta Das called for stronger corporate governance at state-run lenders to make the country's banking sector more efficient. Describing the lack of strict governance as the "elephant in the room", Das said this had led to elevated levels of non-performing assets, capital shortfalls, fraud and inadequate risk management. "The role of independent boards in fostering a compliance culture by establishing the proper systems of control, audit and distinct reporting of business and risk management has been found wanting in some public-sector banks leading to build-up of NPAs," Das told an audience in Ahmedabad.



"THE ROLE OF INDEPENDENT BOARDS IN FOSTERING A COMPLIANCE CULTURE BY ESTABLISHING THE PROPER SYSTEMS OF CONTROL, AUDIT...AND RISK MANAGEMENT HAS BEEN FOUND WANTING IN SOME PUBLIC SECTOR BANKS" SHAKTIKANTA DAS, RBI GOVERNOR

State-run lenders control about 60 per cent of the banking industry. They are owned by the government, with the Reserve Bank of India having limited supervision and legal powers to bring about changes in management, unlike privately-owned ones over which it holds more sway. That creates an uneven playing field leading to question marks about the efficacy of central bank regulations over state-run institutions. The banking sector has the high-

est ratio of stressed assets in the world, with many bad loans to companies in sectors such as energy and steel. A crisis in shadow banking has also raised further concern that banks, which have 7 per cent of their loans to non-banking finance companies, will face a fresh spate of debt defaults.

Das said that while the number of NPAs has declined recently, the provision coverage ratio has increased to 60.5 per cent from 48.3 per cent a year ago. The capital adequacy ratio in the banking system has also climbed to above the Basel requirements, he said.

BLOOMBERG

Govt plans mass outreach to iron out GST concerns

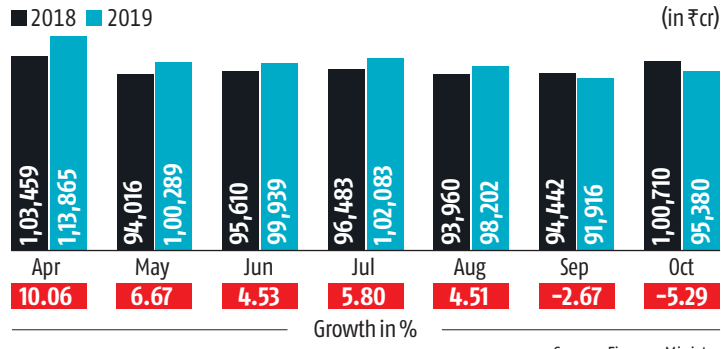
FM meets stakeholders; pan-Indian initiative for new forms on Dec 7

DILASHA SETH
New Delhi, 16 November

With the government facing severe revenue stress, Finance Minister Nirmala Sitharaman on Saturday met representatives of small and medium enterprises, chartered accountants, retailers, and independent professionals to iron out concerns related to goods and services tax (GST) compliance. In a live demonstration of sorts, the representatives attempted to file actual returns during the meeting to highlight their concerns.

The one-to-one meetings were attended by representatives of the Indian Chartered Accountants Association (ICAI), Laghu Udyog Bharti, Rajasthan Tax Consultant Association, Confederation of All India Traders (CAIT), and a Kolkata-based independent tax professional. The aim of the exercise was to further simplify GST forms and make the filing process more user-friendly, the finance ministry said in a tweet. Sitharaman asked the revenue

GST MOP-UP WORRIES



department to carry out a similar exercise across the country on December 7 for the new return forms to come into effect from April 2020. That would mean commissioners across circles would meet select individual GST return filers to respond to their queries and resolve issues. Saturday's meeting was attended by officers from the Department of Revenue and GST Network (GSTN)

— the information technology backbone for GST.

"The FM decided that every commissioner of every circle should invite assesses with accountants who will actually file returns on a real time basis in front of the officer to understand the problems," Revenue Secretary Ajay Bhushan Pandey told reporters after the meeting.

Turn to Page 4 ▶

Slowing economy sings art market

Overpriced art also a let-down at Sotheby's Mumbai auction

PAVAN LALL
Mumbai, 16 November

The second edition of Sotheby's Indian art exhibition failed to attract the attention of art buyers, thanks to the ongoing economic slowdown and "overpriced" valuation sought by the sellers.

The auction, held in Mumbai on Friday, even failed to sell the highlight of the evening — a \$3 million (₹21.4 crore) Gaitonde painting. Besides, the total lot on sale fetched only ₹23.8 crore, as against the expected realisation of ₹37 crore. Of the 61 pieces of art on sale, 11 failed to find a buyer.

Ashvin Rajagopalan, director of the Piramal Foundation of Art, said art collectors were generally holding on to their cash due to the economic mood in the country which was well-known. "Inherent challenges with auctions in India are that if you are sourcing works in the market, then they have already been seen many times over by collectors, which can cause fatigue for a buyer," he said. "The other problem is that if you don't have a piece of art that is truly exceptional and outstanding, then it won't get attention."

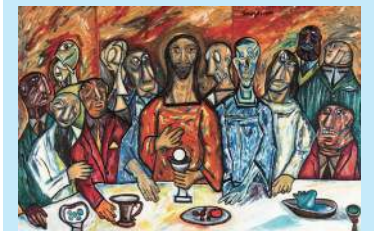
He said recession indices typically showed that the art market only fell by 3 to 4 per cent when the stock market fell by 20 per cent. "So this is not a normal retraction in prices, which means that perhaps collector attention is shifting to other areas such as western or other areas of Indian art like architecture photography or (art) institution-building."

The Sotheby's auction was held a day after global ratings firm Moody's Investors Service cut India's calendar year 2019 gross domestic product growth forecast to 5.6 per cent from 6.2 per cent, citing a consumption slowdown.

Sandeep Goyal, former adman and art collector, said that in times of an economic slowdown, buyers became more discerning. "Also, sometimes, the reserve price of 'average' works is higher than what the market will accept. Such works then don't sell," he said.

Turn to Page 4 ▶

THE ART THAT BUCKED THE TREND



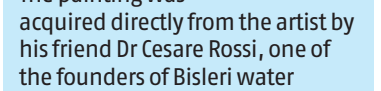
FRANCIS NEWTON SOUZA'S 'THE LAST SUPPER'

The reinterpretation of Leonardo da Vinci's late 15th-century mural more than doubled its estimate to sell for ₹6.85 crore. It came to the sale from Japan, where it had remained for two decades



BHUPEN KHAKHAR'S 'TIGER AND STAG'

Set a record price for any work sold by the artist in India at ₹5.05 crore. This follows the record-breaking sale of the artist's 'Two Men in Benares' (1982) at Sotheby's in London in June



JEHANGIR SABAVALA'S 'THE HOODED DAY'

Sold for ₹2.25 crore. The painting was acquired directly from the artist by his friend Dr Cesare Rossi, one of the founders of Bisleri water



AIRLINES, AIRPORTS MAY FACE FINES OF UP TO ₹1 CRORE FOR VIOLATIONS

Civil aviation safety and security regulators may get the powers to fine airlines and airports up to ₹1 crore for violations ahead of a key UN body audit early next year. The civil aviation ministry has sought Cabinet approval for amending the Aircraft Act 1934 to give more powers to the Directorate General of Civil Aviation (DGCA) and the Bureau of Civil Aviation Security. A Bill would be introduced in the upcoming Parliament session after the Cabinet nod, it is learnt. Currently, the DGCA can suspend or cancel licences of operators. Pilots and engineers can also face suspension for safety violations. ANEESH PHADNIS & ARINDAM MAJUMDER report 6 ▶

NCAER sees 2019-20 GDP growth at 4.9%

Forecast lowest among recent predictions

ARUP ROYCHOUDHURY
New Delhi, 16 November

The National Council of Applied Economic Research (NCAER) has pegged India's gross domestic product (GDP) growth for 2019-20 at 4.9 per cent, the lowest among the recent forecasts by rating agencies, multilateral institutions, research firms, and government institutions.

"India is experiencing a decline in growth, which is sharper than the global slowdown. The sharp decline in growth reflects a growth slowdown across virtually all sectors. It is primarily being driven by a simultaneous deceleration of all the drivers of aggregate demand," the New Delhi-based policy think tank said in its mid-year review released on Saturday.

MUTED OUTLOOK

Agency	FY20 growth forecast (in %)
SBI	5.0
CLSA	5.0
Moody's	5.6*
OECD	5.9
World Bank	6.0
RBI	6.1
IMF	6.1

For the July-September quarter, the report forecasts gross value added (GVA) growth at 4.9 per cent. The second-quarter and full-year forecasts have been arrived at by using a model developed by a joint team of the NCAER and the National Institute of Public Finance and Policy. The NCAER's outlook comes just days after global ratings agency Moody's cut its calendar year 2019 GDP forecast for India to 5.6 per cent from 6.2 per cent, and State Bank of India (SBI) and CLSA forecast a growth rate of 5 per cent for FY20. A week earlier, Moody's had cut India's credit rating outlook to 'negative' from 'stable'.

In its report, the NCAER said that while the farm sector and agriculture output had been looking up, the industrial sector outlook remained grim. "Capital goods showed negative growth for nine months in 2019, with this slowdown deepening further in August and September. The overall outlook for the industrial sector remains gloomy due to weak demand and investment activities," the report said.

Turn to Page 4 ▶

SoftBank's Vision Fund II is starting life a lot smaller

Technology fund's initial close raises about \$2 billion; outside investors yet to commit

BLOOMBERG
16 November

SoftBank Group Corp has quietly completed an initial money-raising push for its second technology fund, at a fraction of its targeted \$108 billion.

The Japanese company has raised roughly \$2 billion for the second Vision Fund so it can start backing start-ups, according to two people familiar with the matter. This stage of the fund-raising process is known as a first close, and SoftBank will continue gathering commitments. A Vision Fund spokesman declined to comment.

SoftBank said in July that its second Vision Fund would be even larger than the first, which broke records in 2017 by raising almost \$100 billion. This time around, SoftBank has said it is taking more control, committing \$38 billion of its own capital and replacing Saudi Arabia, which was the largest investor in the first fund.

So far, it is unclear whether there are any outside investors in the second fund. The original Vision Fund



Second Vision Fund has made at least one investment already PHOTO: BLOOMBERG

FUNDING JITTERS

- SoftBank's first Vision Fund broke records in 2017 by raising almost \$100 bn
- This time, SoftBank has said it is taking more control, committing \$38 billion of its own capital and replacing Saudi Arabia, the largest investor in the first fund
- Saudi Arabia's Public Investment Fund and Abu Dhabi's Mubadala Investment contributed \$45 bn and \$15 bn, respectively, to the first fund
- The second fund is expected to collect money from Apple, Microsoft, Foxconn Technology Group and the sovereign wealth fund of Kazakhstan

was announced in October 2016, but took another seven months for its first major closing with \$93 billion in commitments.

Saudi Arabia's Public Investment Fund and Abu Dhabi's Mubadala Investment, which contributed \$45

billion and \$15 billion, respectively, to the first fund, are reconsidering how much to put into the new fund, Bloomberg News previously reported.

Talks with Saudi Arabia are still ongoing, said the people, who asked not to be identified discussing private

matters. Mubadala recently told Bloomberg News it had yet to decide on whether it would invest.

SoftBank has said the second fund is also expected to collect money from Apple, Microsoft Corp, Foxconn Technology Group and the sovereign

