

Deutsche Bank sells \$50 bn in assets to Goldman amid rejig

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REUTERS
Frankfurt, 27 November

Deutsche Bank AG sold another chunk of unwanted assets to Goldman Sachs Group Inc. as part of a radical restructuring that's seeing the German firm exit businesses where it's been unable to compete.

The nation's largest lender recently sold securities with a notional value of about £40 billion (\$51 billion) to the US bank, people briefed on the matter said. The assets are tied to emerging market debt and were previously housed in Deutsche Bank's wind-down unit, one person said. They asked not to be identified discussing the private deal.

Representatives for Deutsche Bank and Goldman Sachs declined to comment.

Deutsche Bank shares rose as much as 1.9 per cent on the news, paring this year's decline to about 3.6 per cent. That compares with a slight increase for the wider industry. It's at least the second time that Goldman Sachs bought securities that Deutsche Bank has earmarked for disposal as part of its latest turnaround plan.

In September, the US investment bank purchased the Asian portion of a portfolio of equity derivatives that the German lender had put up for sale, people familiar with the matter

said at the time.

Deutsche Bank's wind-down unit is a cornerstone of the sweeping revamp that Chief Executive Officer Christian Sewing unveiled in July. Its goal is to release tied-up capital by reducing assets quickly while avoiding deep write-downs on them. Ultimately, that's expected to help the bank replenish its capital buffers, which the CEO is currently drawing down to cover the costs of the restructuring.

Sewing has vowed to cut the leverage exposure — a regulatory measure of risk — in the wind-down unit to €119 billion (\$131 billion) at the end of the

year, from €177 billion at the end of September. He previously reached an agreement to transfer the hedge fund business to BNP Paribas SA and sold other portions of the equity derivatives portfolio to Barclays Plc and Morgan Stanley, people familiar with the matter have said.

The unit trading emerging-market debt had a weak third quarter, though momentum picked up at the end of the period, the bank said in late October. Deutsche Bank plans to maintain a "robust, broad-based" Emerging Markets debt trading platform, it said.

The portfolio just sold to Goldman Sachs was moved into the wind-down unit in July, one person said.

It's not clear how much the latest sale will contribute to Sewing's goal since an asset's notional value says little about its impact on the balance sheet.



'Govt-backed' attackers targeted 12,000: Google

500 users from India were among those informed about being targeted

NEHA ALAWADHI
New Delhi, 27 November

Nearly a month after WhatsApp made its now controversial revelations about an Israeli software being used to snoop on Indian citizens, Google said on Tuesday that about 500 users from India were among 12,000 people informed about being targeted by 'government-backed attackers' between July and September this year.

The affected users were spread across 149 countries, and the number was similar to (up or down 10 per cent) the number of warnings sent in the same period of 2018 and 2017, Shane Huntley from Google's Threat Analysis Group (TAG) said in a blog-post. "Over 90 per cent of these users were targeted via 'credential phishing emails'... these are usually attempts to obtain the target's password or other account credentials to hijack their account," he said.

As an example, Huntley explains how a phishing attempt works. An attacker sends an authentic-looking email, which can be made to look like it was sent from Google, with a security alert. A subtle difference in spelling like 'Goolge' would be the only difference and clue for the user. The mail suggests that the user secure their account. The user clicks the link, enters their password, and may also get asked for a security code if they have two-factor authentication enabled, allowing the attacker to access their account.

A phishing attack could also mimic an existing website or webpage and trick a user into entering confidential information on the page. Phishing attacks in India have been on the rise. In response to a question asked in Lok Sabha on Wednesday regarding cyberattacks in India, Minister of State for Ministry of Electronics and Information Technology Sanjay Dhotre, said, "According



HOW TO AVOID GETTING SCAMMED THROUGH A PHISHING ATTACK

- Do not immediately click on an email from a familiar looking company
- Be especially suspicious if the mail or message asks for password or bank account details, etc
- Consider two-factor or multi-factor authentication to login to your accounts
- Keep all software and apps updated
- According to Akamai's research, phishing defences have forced changes to criminal operations

to the information reported to and tracked by Indian Computer Emergency Response Team (CERT-In), 50,362; 53,117; 208,456; and 313,649 cybersecurity incidents, including phishing, network scanning and probing, virus/malicious code, and website hacking are reported in the years 2016, 2017, 2018, and 2019 (till October), respectively".

According to a recent report 'Phishing — Baiting the Hook' by Akamai, Microsoft, PayPal, DHL, and Dropbox were the top targeted brands when it came to phishing. India has also been one of the top countries where people are targeted through phishing attacks.

A government-backed attack is one that is backed by a nation state, which makes

cybercriminals better funded and with access to greater resources to attack a specified target. Russia, North Korea, China, and Iran have been known to sponsor attacks through phishing and other means on people from different countries.

On October 29, WhatsApp sued NSO Group, an Israeli company, for having used a coding glitch in the messaging app that let its customers spy on some people. The software developed by NSO Group for spying is called Pegasus. WhatsApp fixed the issue, and worked with Citizen Lab, a Toronto-based digital and human rights research group, to reach out to all the affected people and told them what they could do to keep their communication safe.

Jet CoC to file application to extend CIRP by 90 days

SUBRATA PANDA
Mumbai, 27 November

The committee of creditors (CoC) of the beleaguered Jet Airways has decided to file an application before the National Company Law Tribunal (NCLT) for extending the corporate insolvency resolution process (CIRP) of the company by 90 days.

Under the Insolvency and Bankruptcy Code (IBC), the CIRP period can be extended by 90 days from the stipulated 180 days if there is a chance of resolution

of the firm. The 180-day timeline of Jet ends on December 16.

In a filing to the stock exchanges, the company said lenders in the fifth CoC meeting passed resolutions to extend the last day for submission of a resolution plan by the South America-based Synergy Group to December 16 and filed an application in the NCLT to extend the CIRP period. Synergy Group was earlier given time till November 15 to file a resolution plan but it asked for more time to submit bid for the company, as it sought more clarity on airport slots in India and

London. Synergy Group is the only interested entity shortlisted by the Resolution Professional's team to file a plan for the defunct airlines.

In its last hearing in the NCLT, the tribunal asked Synergy Group to appear before the Bench and wanted to know if the firm was at all serious about reviving the defunct airlines.

The tribunal also made the Ministry of Civil Aviation and the Directorate General of Civil Aviation a party in the matter and sought their response on the availability of slots.

Have enough spectrum to start 5G services: Prasad

Telecom Minister Ravi Shankar Prasad on Wednesday said there was 'enough' spectrum available to start 5G services, putting to rest the claims by the industry that the airwaves were not sufficient for rolling out these next generation services. Replying to a question in the Lok Sabha, Prasad said, "The value of unused spectrum as on date according to valuation by the Trai in its recommendations on auction of spectrum in 700 MHz, 800MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300-3400 MHz, 3400-3600MHz bands dated 01.08.2018 is ₹4.9 lakh crores." Spectrum available for 5G auction is — 3300 to 3400 MHz and 3425 to 3600 MHz. In other developed countries, spectrum likely to be used for 5G services is — 3300 to 3400 MHz, 3400 to 3600 MHz, 3600 to 3700 MHz, and 4800 to 4990 MHz. **MEGHA MANCHANDA**

Transparency in tariffs by telcos to be reviewed

The Trai on Wednesday floated a consultation paper on transparency in tariff offers by telecom operators. The paper has been brought out amid complaints by individual consumers on lack of transparency in disclosure of tariff information. "It is felt that a comprehensive review of extant provisions, aimed at transparency relating to flow of information from telecom service providers to consumers, is essential," Trai said. Accordingly, a consultation paper has been floated with the objective of empowering consumers by making all relevant information available to them, it added. The regulator has sought comments from stakeholders for prescribing the format for publishing tariff. The other issues on which comments have been sought are whether telcos should be asked to disclose implications of discontinuation of tariff plan after expiry of the mandatory tariff protection period of six months. The tariff order requires service providers to ensure that the tariff is not changed adversely for a period of six months from the date of enrolment of a customer. **MEGHA MANCHANDA**

'In India, we plan to provide tailor-made tech solutions'

After spending nearly 18 years in Germany, where the enterprise software maker SAP has its headquarters, **SINDHU GANGADHARAN** recently returned to India to take over SAP Labs India as managing director. In an interview with **Samreen Ahmad**, Gangadharan, who also became the first woman to head SAP Labs India, talks about her immediate priorities. Edited excerpts:

Q&A
What are your immediate priorities for SAP Labs India?
I have laid out a vision for SAP Labs, which has four main pillars. The first is innovation and customer centricity because as a development organisation, it's important we are in sync with a customer's demands. The second pillar is about thought leadership. The third is about end-to-end product focus. As our aspirations increase in cloud technology, end-to-end product focus becomes really important. Fourth is to build a culture of inclusion. It is no more only about gender diversity inclusion but how to leverage technology to help build an inclusive workplace.

What does India offer you as a key R&D base for the company, globally?
It provides us with several opportunities. We have a huge talent base in the country and the average age of our employees is 32. This means they are more open to work on newer ideas and technologies, be it AI (artificial intelligence), ML (machine learning), blockchain or deep capabilities in the database side.

What are the future technology areas that SAP (India) is currently working on?
We are particularly looking at small and medium-sized businesses, and also how to provide tailor-made solutions to the India and China markets. These are cost-sensitive markets and we do not believe in the concept of one size fits all. We are also looking at automation of



behind-the-scenes configurations for small and mid-sized businesses. What we are driving forward is how we bring a consistent experience across business processes for which we are embedding analytics and ML into the core of our applications.

What is your hiring outlook for 2020?
We maintain a good balance between early talent and lateral hiring. We are looking at around 800 new hires on a yearly basis. We have people with

expertise but we also want to bring in fresh ideas.

Coming to technology, SAP has made a big bet on Cloud and expects the revenue from this space to grow three-fold to \$15 billion globally by 2023. How realistic it is?

We are driving customers to become true intelligent enterprises by giving them a framework, a lot of which is centered around Cloud. A lot of emerging technologies are also being embedded in our core Cloud products. Over the last decade, we have also made several acquisitions in areas such as HR, business networks, travel and expense management, manufacturing and supply chain. These are some core areas and a lot of growth will happen as customers transition to Cloud.

How important is India as a market for the company?

Our strong presence in India for the past 20 years speaks for itself. We are 13,000 strong (people) in India with an R&D team of over 8,500. We will further grow our facilities in Bengaluru. Plans are on to set up a second campus in the city. That clearly underlines our growth aspirations in India.

How has the transition been for you from India to Germany and the coming back to India?

When I moved to Germany in 2001, the biggest challenge was the language. The breakthrough happened when I started speaking German. After living there for 18 years and coming back to Bengaluru which is also my hometown, I am challenged by the traffic here. I hope that by using technology together with the government, we can solve this problem.

