

"Our scientists worked hard on Chandrayaan 2. Everything didn't go as planned but the mission was successful. If you look at the broader perspective, you will see it is a major feat in the list of scientific achievements"

NARENDRA MODI, Prime Minister



"At Bangkok, the PM spoke about things that are rising and things that are falling in India. He should have added investment is falling; core sector growth is falling; consumer demand is falling"

P CHIDAMBARAM, Congress leader on Twitter



"Those who are saying in 2021 our government will be wiped out, they themselves have lost the right to speak for their misdeeds. I will come back"

MAMATA BANERJEE, West Bengal chief minister

IN BRIEF

Bankers expect resolution to DHFL issue by December-end



Bankers expect the resolution of debt-ridden mortgage lender DHFL to be finalised by the end of next month, according to a banker who is part of the lenders' consortium. The Inter-Creditor Agreement (ICA) is in place for resolution of the account and banks are looking at it, the banker said. Resolution would be reached

by December 31, the banker expressed hope, amid an SFO probe of alleged financial irregularities by DHFL. Asked if the NCLT route could be taken for resolution, the banker said that all aspects are being examined, and it is premature to comment at the moment. According to the Reserve Bank's June 7 NPA resolution framework, for a resolution plan to be passed, 75 per cent of lenders by value and 60 per cent by numbers must approve it and sign the ICA. The banker also said mutual funds as a category of debtors were still not on the same page. PTI

Sebi issues circular on Aadhaar e-KYC for investors

Sebi on Tuesday issued a detailed circular regarding the process to be followed for an Aadhaar-based electronic KYC exercise for domestic investors. The circular mentions the requirements to be fulfilled by entities registered with the UIDAI as a KYC User Agency as well as for sub-KUA. For such process, there would be two options — online portal and assisted investor e-KYC processes. PTI

Ross says US eager to make progress on trade with India

US Commerce Secretary Wilbur Ross said on Tuesday he was eager to make further progress on trade talks with India and wanted to hear Indian proposals that could lead to the restoration of some trade preferences. The two countries have been locked in a trade dispute. "We are eager to make further progress with India on that topic," Ross said during a call with reporters during a visit to Thailand for regional meetings. REUTERS

Rupee rises 8 paise against dollar to a five-week high

The rupee gained 8 paise to close at a fresh five-week high of 70.69 against the dollar on Tuesday, following foreign fund inflows and gains in Asian peers after the Chinese central bank cut interest rates. Forex inflows through Bajaj Finance share sale to qualified institutional investors helped the rupee hold strong against a strengthened dollar and rising crude oil prices, analysts said. PTI

I-T dept attaches ₹1,600-cr benami assets of Sasikala

The income tax department has attached benami assets worth ₹1,600 crore belonging to V K Sasikala, aide to former Tamil Nadu chief minister Jayalalitha, officials said on Tuesday. Sources said these alleged 'benami' assets were purchased by Sasikala by using about ₹1,500 crore of demonetised notes and the assets were taken under fictitious identities. PTI

HDIL promoters diverted ₹160-cr PMC loan to hotels

The three hotels belong to Rakesh Wadhawan and family, says ED

SHRIMI CHOUDHARY, New Delhi, 5 November

Promoters of Housing Development Infrastructure (HDIL) have allegedly diverted ₹160 crore of loan from Punjab & Maharashtra Cooperative (PMC) Bank to three Delhi-based hotels, according to the probe by the Enforcement Directorate (ED).

The enforcement agency has identified three hotels belonging to Libra Hotels, in which Rakesh Kumar Wadhawan is both a director and a shareholder. Sources said Libra Hotels was a parent firm and had three hotels — Hotel Conclave Executive, Hotel Conclave, and Hotel Conclave Comfort. Libra Hotels is run by Rakesh Wadhawan's daughter, Romy Pawan Mehra, and her husband, Pawan Mehra. Both are directors of this firm.

"These hotels are in the three star categories and not in the luxury segment. We are examining the mode of transaction in these firms. Prima facie evidence reveals that a substantial portion of the loan amount has gone to these hospitality firms," said an official privy to the development. He said the agency might attach these hotels if the transactions were proved.

Meanwhile, ED has identified about 50 assets and initiated attachment process in the matter. It has so far frozen assets worth ₹500 crore and identified movable and immovable assets of ₹3,882 crore owned by HDIL, its directors, promoters, PMC Bank officials, and other related entities in the fraud case.

The agency has moved applications in the special court for provisional attach-



PMC Bank account holders outside the Reserve Bank office in Mumbai on Tuesday

PHOTO: PTI

Withdrawal limit raised to ₹50,000

In a relief to the aggrieved depositors of Punjab and Maharashtra Cooperative (PMC) Bank, the Reserve Bank of India (RBI) on Tuesday raised the withdrawal limit to ₹50,000 from ₹40,000 earlier. This is the fourth revision in withdrawal limit by the RBI since the PMC Bank scam came to the fore. The RBI had first restricted the withdrawal limit to just ₹1,000.

"It has also been decided to allow the depositors to withdraw from the bank's own ATMs within the prescribed limit of ₹50,000. This is expected to ease the process of withdrawals," the

RBI said. The rise in withdrawal limit is inclusive of ₹40,000 allowed earlier, which means if a depositor has withdrawn ₹40,000 from his/her account, an additional ₹10,000 can be withdrawn. "With the above relaxation, more than 78 per cent of the depositors of the bank will be able to withdraw their entire account balance," the RBI said.

Last month, the RBI had allowed the depositors to withdraw up to ₹40,000 of the total balance in their account. Prior to that, the withdrawal of deposits was limited up to ₹25,000. SUBRATA PANDA

₹7K-crore bank fraud: CBI raids 169 locations

The CBI is conducting searches in 169 locations in connection with 35 bank fraud cases, which involve funds of over ₹7,000 crore, officials said on Tuesday. The cases pertain to SBI, PNB, Andhra Bank, IOB, Allahabad Bank, Canara Bank, Dena Bank, Central Bank of India, UBI, IDBI Bank, OBC, Bank of Baroda, Bank of Maharashtra, Bol, and Punjab and Sind Bank. PTI

ment of Wadhawans' plush property in Maharashtra's Alibaug. Besides, it is examining the ₹100-crore worth of sea-facing bungalow belonging to a close friend of Rakesh Wadhawan.

HDIL promoters Rakesh Wadhawan and son Sarang, arrested in connection with the ₹4,355 crore PMC scam, have been sent to judicial custody.

The duo had been arrested by the Economic Offences Wing (EOW) of Mumbai Police in connection with the case earlier this month. It alleged that the bank management, in cahoots with the Wadhawans, concealed from the banking regulators' scrutiny huge loan defaults by the HDIL group firms. Sources said a huge amount had been diverted to 44 accounts created

to divert money linked to the Wadhawans and entities related to HDIL. The probe is on into at least 20,000-plus dummy accounts created by PMC to hide its bad loans.

ED is also ascertaining the possible links of some people, including NCP leader Praful Patel, who are named in the passenger manifest of an aircraft belonging to HDIL promoters.

Services sector contracts for second month in a row

PMI at 49.2 in Oct, against 48.7 in Sep

INDIVIAL DHASMANA, New Delhi, 5 November

India's services sector, the dominating area of economy, shrank for a second straight month in October due to subdued demand, particularly in finance and real estate companies, showed widely tracked purchasing managers' index (PMI).

The PMI stood at 49.2 in October, against 48.7 in September. In PMI parlance, the reading below 50 denotes contraction and one above 50 means expansion. This was the first back-to-back reduction

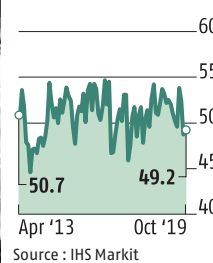
since the second quarter of 2017-18. The data showed that the rate of deceleration also declined in October from September, providing a ray of hope in these times of slowdown.

Earlier data showed manufacturing PMI also fell to a two-year low of 50.6 in October, from 51.4 in the previous month, private sector activity decreased for the second straight month in October. The composite PMI fell from 49.8 in September to 49.6 in October, signaling a marginal rate of reduction overall.

In the services sector, anecdotal evidence highlighted subdued demand conditions,



THE TRAJECTORY



Source: IHS Markit

competitive pressures and a fragile economic situation, said a commentary associated with the PMI survey.

October data indicated that demand weakness was centred on the domestic market, with exporters posting an increase in international sales. That said,

the upturn in external demand was modest and the slowest in four months. Total sales were broadly unchanged in October, after contracting in September for the first time in over a year and a half.

Sub-sector data indicated that finance & insurance and

real estate & business services acted as the main drag on the services economy, where both business activity and sales contracted. Consumer services was the brightest spot, posting strong growth of output and new work. Companies that secured new work mentioned successful marketing efforts and new client wins, while those that noted lower sales commented on fierce competition for new business.

Services sector employment increased for the 26th month in a row. While a few firms took on extra staff, this was curbed by job shedding at other companies. One factor that restricted job creation was subdued confidence towards

the 12-month outlook for business activity. The degree of optimism observed in October was among the weakest seen in the 14-year survey history. A number of panelists were concerned about the possibility that challenging economic conditions would persist.

Pollyanna de Lima, principal economist at IHS Markit, said: "It's somewhat worrying to see the services sector stuck in contraction, as firms react to muted demand by lowering business activity. Perhaps even more concerning was the downward revision to future expectations, given the possible detrimental impact of subdued business confidence on investment and jobs."

New base year for GDP will be finalised soon

PRESS TRUST OF INDIA, New Delhi, 5 November

The Ministry of Statistics and Programme Implementation will decide on a new base year for the GDP series in a few months, a senior official said on Tuesday. The ministry is working to bring in a new series of national accounts which would result in change in the existing base year of 2011-12.

Though the ministry is considering 2017-18 as the new base year, no decision has been taken as the panels of experts are awaiting some more data before finalising their opinion.

"The decision to change the base year (of GDP) would be taken in next few months.

We are waiting for Annual Survey of Industries and the Consumer Expenditure Survey. All the preparatory work is getting ready for that.

"Once the result is out, we will place it before the respective committees (to decide about the base year)," MOSPI Secretary Pravin Srivastava said at a FICCI conference, adding the decision has to be taken considering global and national scenario. He said when new series with 2011-12 base year was being worked out, the ministry thought of revising it to 2009-10. But then the economists decided that 2009-10 was not a good year globally and domestically and finalised 2011-12 as the base year for new series of GDP.

Alternatives to keep check on stubble burning remain non-starter

Oil companies yet to start procuring stubble; agri-mechanisation remains half-baked

SHINE JACOB, NITIN KUMAR & SHREYA JAI, New Delhi, 5 November

Several plans to divert crop residue or stubble remain non-starters even as the National Capital Region (NCR) chokes on severe air pollution every year.

To prevent rise in air pollution levels, oil marketing companies (OMCs) and thermal power units were planning to procure stubble and promote the central government's 'Agricultural Mechanization' for crop residue management. Both have seen minimal success.

Officials said the plan by OMCs to procure stubble from farmers to make bioethanol was likely to materialise from the next financial year. The government had last year planned to set up at least 12 second-generation bioethanol plants, which require 150,000 tonnes of bio mass, including rice straw, wheat straw, and bamboo shoots

for each, annually. According to the plan, OMCs would set up collection centres and pay farmers for the stubble.

Officials said three of these units were expected to be commissioned by the end of 2020, which were likely to see investment of ₹2,000-2,500 crore. Some plants are in the fast track, which include Hindustan Petrochemical Corporation's planned unit in Bhatinda (Punjab), Indian Oil Corporation's Panipat (Haryana), and Bharat Petroleum Corporation's Bargarh (Odisha) 2G bioethanol plants.

"One plant in Numaligarh (Assam) and another in Madhya Pradesh are based on bamboo and soya residue, respectively, and are likely to be commissioned by mid-2021," said Y B Ramakrishna, chairman, working group on biofuels of the ministry of petroleum and natural gas. He said OMCs were



working on the feed-stock supply chain, and price to farmer would be determined later.

According to government estimates, there is potential for close to a hundred bio gas plants in Punjab and Haryana based on

stubble under the SATAT programme launched by the oil ministry in October 2018. The scheme allowed potential entrepreneurs to set up Compressed Bio-Gas (CBG) production plants and make available CBG in the mar-

ket for use in automotive fuels. Among the series of ventures lined up to use stubble for producing power, only two in Punjab have materialised. NTPC, India's largest thermal power producer, has issued six tenders to procure

biomass pellets but supply has been limited, said an official. There are several agencies that supply crop residue-based biomass pellets, but the supply falls short, the person added.

Farmers in Punjab and Haryana said no bulk buyers had approached them. In Haryana, the biggest buyer of paddy residue is the packaging industry. "We sell our residue to local agents for ₹3,000-₹3,500 per acre," said Shamsheer Singh, spokesperson of Bhumi Bachao Sangharsh Samiti.

Another farmer in Mumtazpur in Haryana said they were selling paddy residue to landless livestock holders. "If it were not for them, we would continue burning stubble, as the government doesn't have any action plan of procuring it," he said.

With regards to the agricultural mechanisation scheme, the success is more dismal. Under the scheme, agricultural machines and equipment for in-situ crop residue management are promoted with 50 per cent subsidy to the individual farmers

and 80 per cent subsidy for the establishment of Custom Hiring Centres of the machines.

"In Punjab, 2.92 million hectares are used for paddy cultivation; the government has provided seeders to approximately 30,000 farmers, which is around 4.5 per cent. Now, how can the government ask poor farmers to decompose stubble without machines?" Bharatiya Kisan Union (Rajewal) President Balbir Singh Rajewal said.

He said farmers in Punjab were burning stubble because they were not getting enough gaps between the sowing seasons. The government has barred any nursery sowing and transplanting of paddy before May 15 and June 15, respectively. Normally, paddy takes 140-175 days to get ready for harvesting. "Soon after harvesting, their crops they have to prepare their field for rabi crops so they have no option apart from burning stubbles," Rajewal said.

US TECH TO CONVERT RICE STUBBLE INTO BIO-FUEL P22

