

## Kochhar termination: HC seeks RBI reply, next hearing Dec 18

**PRESS TRUST OF INDIA**  
MUMBAI, DECEMBER 9

THE BOMBAY High Court on Monday sought responses from the Reserve Bank on a plea by Chanda Kochhar challenging her termination as the chief executive and managing director of ICICI Bank, months after she voluntarily left the second largest private sector lender.

The high-profile ex-banker had on November 30 moved the Bombay High Court challenging “termination” of her employment by ICICI Bank which also denied her remuneration and clawed back all the bonuses and stock options between April 2009 and March 2018 for her alleged role in granting out of turn loans worth Rs 3,250 crore to the Videocon Group which benefitted her husband Deepak Kochhar.

Her petition claimed that her termination on January 30, 2019, came months after the bank approved her voluntary resignation on October 5, 2018 and therefore the termination is “illegal, untenable, and unsustainable in law.”

## Tit-for-tat against nations discriminating with Indian firms: Goyal

**PRESS TRUST OF INDIA**  
NEW DELHI, DECEMBER 9

ANY COUNTRY discriminating against Indian companies in the award of contracts would not be allowed to participate in public procurement contracts, Commerce and Industry Minister Piyush Goyal said on Monday. “Free and equal access” is the policy adopted by this government two years ago, he said at an event organised by EXIM Bank here.

“When we took the stand not to be a part of RCEP, one of the major stumbling blocks was also the fact that our businesses in the areas of our strength do not get an equal and fair opportunity when it comes to engaging with contracts or businesses in other geographies,” he said.

The minister said he had not heard that China ever opens up any of their government contracts.

## Centre lowers onion holding limit to 2 tn from 5 tn for retailers

**EXPRESS NEWS SERVICE**  
NEW DELHI, DECEMBER 9

INA bid to check hoarding and arrest rising prices, the Ministry of Consumer Affairs, Food and Public Distribution on Monday further reduced the stock holding limit for retailers from 5 tonnes to 2 tonnes of onions. Sources said that the Ministry also asked states to carry out immediate anti-hoarding operations, but clarified that the stock holding limit shall continue to be the same for wholesalers. Besides, importers will continue to remain exempted from these stock limits for imported onions.

This is the second time in less than a fortnight that the Centre has cut the stock holding limit of onions. On December 3, the Ministry halved the stock holding limit for retailers from 10 to 5 tonnes and for wholesalers from 50 to 25 tonnes. The move comes at time when onion prices are skyrocketing, with retail prices crossing Rs 100 per kg in some cities.

Last week, Union Home Minister Amit Shah held met ministers and top officials to discuss and review the price and availabil-

ity situation of onion. Commerce Minister Piyush Goyal and Minister of Agriculture and Farmers Welfare Narendra Singh Tomar attended the meeting.

Earlier this month, the Centre had asked state-run MMTC to place an order for import of 11,000 metric tonnes of onion from Turkey, which would begin arriving late December or early January next year. These will be in addition to the 6,090 MT of onions which will start arriving from Egypt mid-December. The Centre had, on November 9, directed MMTC to import up to one lakh MT of onion from surplus nations. In fact, the Ministry roped in Indian embassies in major onion exporters like Iran, Afghanistan and Egypt to facilitate import of the bulb.

Last month, the Union Cabinet approved importing 120,000 tonnes onion to improve the domestic supply and control prices which have skyrocketed to Rs 75-120 per kg across major cities now. The government has directed National Agricultural Cooperative Marketing Federation of India, or NAFED, to procure surplus onion from Rajasthan, Maharashtra for distribution in deficit States.

## Parliament approves legislation to regulate recycling of ships

**EXPRESS NEWS SERVICE**  
NEW DELHI, DECEMBER 9

PARLIAMENT ON Monday passed a Bill to regulate the shipbuilding industry in the country. The Recycling of Ships Bill, 2019 was passed in Rajya Sabha by a unanimous voice vote. The Bill, which also seeks to restrict use of hazardous material on ships, had been passed in Lok Sabha last week.

Assuaging the concerns of the members of the Upper House who participated in the discussion, Minister of State for Shipping Mansukh L Mandaviya said that there “will be an inventory of all the hazardous waste on a ship” and said that India can use its coastline to develop a ship recycling industry which will also provide jobs, and environmental concerns will also be kept in mind.

He thanked the 18 members who participated in the debate and said that suggestions given by them “will give direction for the rules to be laid down” under the

### The Recycling of Ships Bill, 2019, which had got nod in the Lok Sabha last week, was passed in Rajya Sabha Monday by unanimous voice vote

Bill. The minister said that the Hong Kong convention “is in favour of India” and that several countries will send their ships to be recycled to India.

The convention mentioned by the minister is the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009.

Mandaviya added that the 7,500-km coastline provides India “nature’s abundance that supports ship recycling” 131 ships can be beached at a time together.

Responding to a question why the Bill was for recycling and not ship breaking, he said “because 95 per cent of the ship gets recycled”.

## Meghwal in Rajya Sabha: No job loss threat in auto sector

**PRESS TRUST OF INDIA**  
NEW DELHI, DECEMBER 9

THERE IS no threat of job losses in the automobile sector and no reason for worry, Minister of State for Heavy Industries Arjun Ram Meghwal said in Rajya Sabha on Monday. “The automobile sector is presently in a transitional phase where it has to mi-

grate to BS VI from BS IV by April 1, 2020, the deadline given by the Supreme Court,” he said during Question Hour.

“Therefore, the worry (over job losses) that has been expressed, this is a recycle. There is no reason to worry. No jobs are in danger and the government has taken all required measures for improvement after speaking to stakeholders,” he said.

## ‘Corporate tax rate cut done to boost investments’

**PRESS TRUST OF INDIA**  
NEW DELHI, DECEMBER 9

CHIEF ECONOMIC Adviser KV Subramanian on Monday said private investment is key to economic growth and the recent cut in corporate tax rate was done to boost investments.

“Private investment is the driver of economic growth. Steps that we are taking, be it corporate tax rate cut, be it code on wages and industrial relations, is to try and create a more favourable environment for investment,” Subramanian said at the FICCI Young Leaders Summit here. He said investment is required for a sustained economic growth. “So there is indeed well thought out agenda in implementing these measures and the effects of these will show (results),” he said.

India’s GDP growth slowed sharply to a pace of 4.5 per cent in the July-September, hit by a slump in manufacturing output.

The pace of GDP growth has moderated from the 5 per cent rate in April-June and 7 per cent in July-September quarter of 2018.

### PHARMACEUTICALS AND MEDICAL DEVICES

# Beyond trade margin caps, patient groups call for legal oversight of pharma marketing, promotion

**PRABHA RAGHAVAN**  
NEW DELHI, DECEMBER 9

AS THE government works on finalising a policy to cap margins taken on medicines and medical devices across the supply chain, a group of civil society bodies have said that the move alone will not help make these products affordable.

The bodies have written to Minister of Chemicals and Fertilizers DV Sadananda Gowda, calling for a statutory code to prevent corruption and unethical marketing practices in these industries.

“We ... submit that TMR (trade margin rationalisation) regulation will not be successful as an isolated policy. The government must bring a statutory instrument for legal oversight of marketing and promotion of pharmaceuticals and medical devices,” stated the group consisting of the All India Drug Action Network (AIDAN), Third World Network (TWN), Partners in Change, Praxis: Institute for Participatory Practices and

**CIVIL SOCIETY GROUPS WRITE TO MINISTER**

■ A group of civil society bodies have written to Minister of Chemicals and Fertilizers DV Sadananda Gowda, calling for a statutory code to prevent corruption and unethical marketing practices in these industries

■ The group claimed that “numerous” instances of “corrupt” promotional

activities and “failure” of the industry to self-regulate using the DoP’s UCMPMP have been brought to the government’s attention

■ The UCMPMP is a code of marketing practices for the Indian pharma industry which was to be voluntarily adopted and implemented from January 1, 2015

Prayas, Rajasthan.

The group, in its letter dated December 7, claimed that “numerous” instances of “corrupt” promotional activities and “failure” of the industry to self-regulate using the Department of Pharmaceuticals’ (DoP) Uniform Code of Pharmaceutical Marketing Practices (UCPMP) have been brought to the government’s attention.

The UCMPMP is a code of marketing practices for the Indian pharma industry which was to be voluntarily adopted and im-

plemented from January 1, 2015.

The code was to be reviewed after a period of six months and, if it was found not to be implemented effectively, the code stated that the government “may” consider making it a statutory code.

“We are dismayed that, in spite of repeated requests, the government has not brought out a statutory code, which we can only presume is due to pressure against such an initiative from the pharma industry lobby,” stated the group in its letter to

## ‘Central GST collection falls short of BE by 40%’

**PRESS TRUST OF INDIA**  
NEW DELHI, DECEMBER 9

THE CENTRAL GST collection fell short of the Budget Estimate (BE) by nearly 40 per cent during the April-November period of 2019-20, according to the data presented in Parliament on Monday.

The actual CGST collection during April-November stood at Rs 3,28,365 crore while the budgeted estimate is of Rs 5,26,000 crore for these months, Minister of State for Finance Anurag Singh Thakur said in a written reply in Lok Sabha. He added that the data was, however, provisional.

## ‘State-owned banks turn profitable in Apr-Sept’

**PRESS TRUST OF INDIA**  
NEW DELHI, DECEMBER 9

PUBLIC SECTOR banks (PSBs) returned to profitability in 2019-20, posting an aggregate profit of Rs 3,221 crore in the first half ending September, Minister of State for Finance Anurag Singh Thakur said in Parliament on Monday.

PSBs had posted huge losses in 2017-18 and 2018-19 financial years due to heavy provisioning for non-performing assets and other contingencies, according to the minister.

State-run lenders had posted aggregate operating profits dur-

ing 2017-18 and 2018-19 of Rs 1,55,603 crore and Rs 1,53,871 crore respectively.

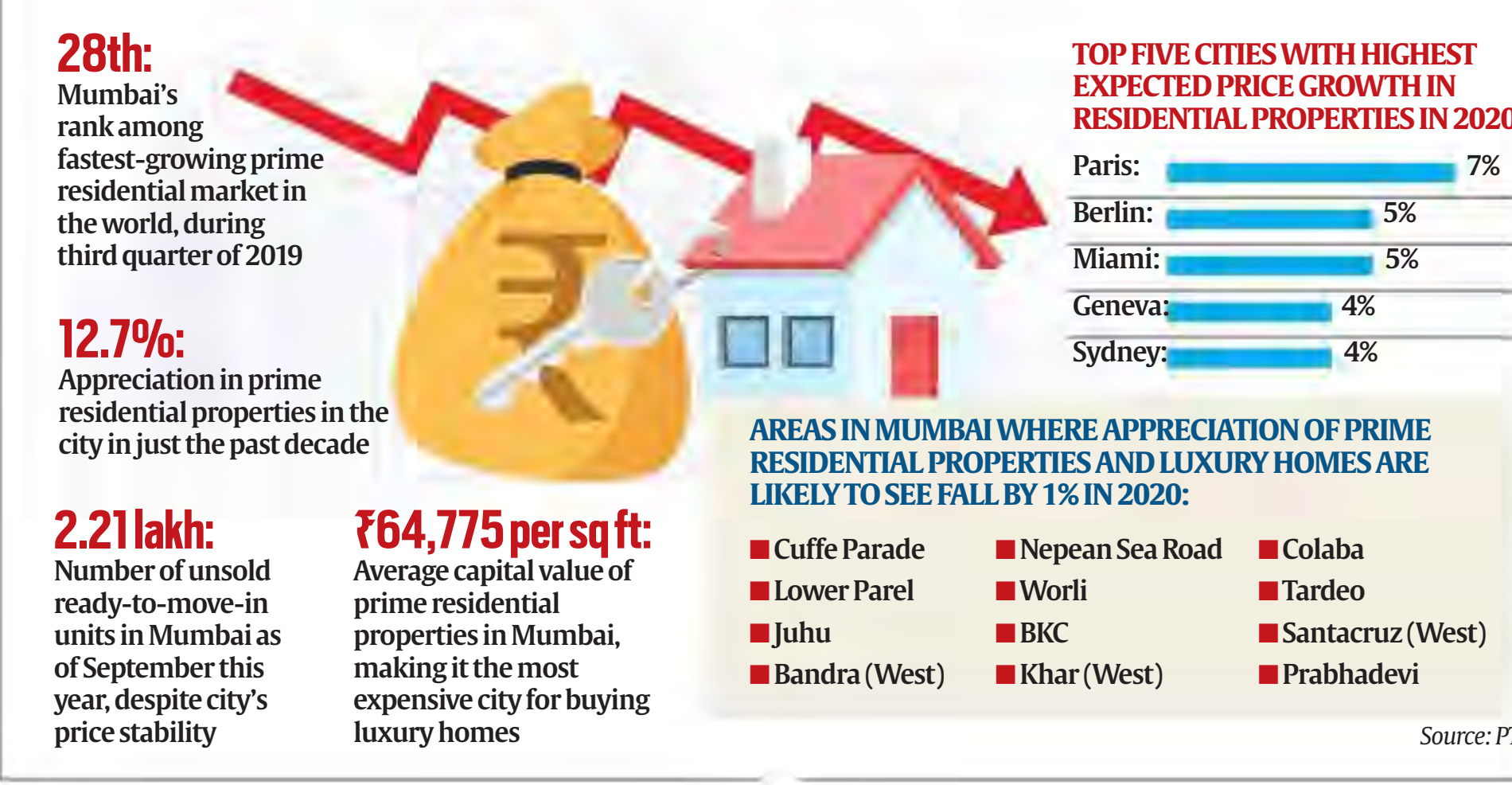
However, they made aggregate provisions for NPAs and other contingencies of Rs 2,40,973 crore and Rs 2,35,623 crore in FY2018 and FY2019, respectively, he said in a written reply in Lok Sabha.

This resulted in aggregate net losses of Rs 85,370 crore and Rs 81,752 crore in 2017-18 and 2018-19 respectively.

“Further, PSBs have returned to profitability in the current fiscal, reporting an aggregate profit of Rs 3,221 crore in the first half of the current fiscal,” the minister said.

## ‘Mumbai may see correction in property rates in 2020’

The overall economic slowdown has also hit Mumbai, the nation’s costliest property market, with prices seen falling marginally next year after remaining stable in 2019, according to a study by Knight Frank



## Moody’s maintains stable outlook for power sector

**ENS ECONOMIC BUREAU**  
NEW DELHI, DECEMBER 9

GLOBAL RATING agency Moody’s said it expects an overall supportive business environment for the power sector in India and has maintained a stable outlook for the industry.

Referring to the recently implemented ‘letter of credit’ mechanism of the Union Power Ministry, the agency noted that the tariff reforms allowing timely recovery of costs are seen to be incentivising private investment in the sector.

In its latest ‘Asia-Pacific 2020 outlook’ for the sector, Moody’s also noted that “easing constraints on fuel supply” have also helped Indian electricity generators. Currently, power plants are sufficiently stocked with coal which can last them for as many as 16 days.

The fuel reserves had critically come down to nine days in the same period last year. Most rated power issuers in the country are under “steady availability-based regulated return regimes and will not be affected by power demand slowdown”, it pointed out.

However, it flagged the deterioration in the financial health

## NSE launches interest rate option on govt bonds

**ENS ECONOMIC BUREAU**  
MUMBAI, DECEMBER 9

THE NATIONAL Stock Exchange (NSE) Monday launched interest rate options on 10-year Government of India (GOI) bonds. “The first day of launch witnessed turnover of 5,926 contracts. Participation was observed from more than 50 trading members,” the NSE said.

Vikram Limaye, MD and CEO, NSE, said, “By launching interest rate options, we have added one more instrument to the fixed income derivatives asset class.

Interest rate options will provide institutional investors the ability to manage risk through a non-linear product which is otherwise not available to them. Market participants can use options to trade and hedge interest rate risk on a transparent platform.”

“With different categories of investors being allowed to participate from day one such as banks, primary dealers, foreign portfolio investors, corporates etc, we hope to bring the same depth, breadth and efficiency that other asset classes have to this product,” Limaye said.

Interest rate options are based on the underlying GOI 10-year bonds — the 7.26 per cent 2029

the Minister.

The patient groups asked DoP to “immediately” replace the voluntary UCMPMP with a statutory instrument to regulate pharmaceutical and medical device marketing and promotion.

This regulation should have “strong” penal and enforcement provisions and cover “all relevant actors”, including pharma and medical device companies, their agents, medical professions, medical associations and health institutions, demanded the group in its letter.

“Care must be taken specifically to ensure escape routes are closed for companies to organise the same unethical practices in a ‘legitimate’ way,” it stated.

The activist bodies have further alleged that TMR as the primary form of regulation is “inadequate” to meet the government’s objective of affordability for critical medical devices and is also “poorly adapted to addressing secondary objectives of curbing profiteering and corruption.”

The letter to the minister follows a recent study on promo-

tional practices of India’s pharma industry by Arun Gadre and Archana Giwate of Pune-based public health group SATHI.

The study, which focussed on interviewing medical representatives, stated that trends in promotional strategies have changed from providing scientific information to doctors to “only focussing on generating business by any means”.

Its findings also highlight unethical practices such as bribes and, in certain instances, pharma companies catering to demands by doctors for “women for entertainment”.

This study has been opposed by the Indian Medical Association (IMA), which has reportedly asked the Maharashtra Medical Council to take action against the researchers.

“The report contains no generalising or sweeping statements and has quotations from MRs (medical representatives) whom it has interviewed. The report also states that a section of doctors is very ethical,” stated SATHI Monday in response to IMA’s move.

### BRIEFLY

### Rupee rises 16p to 71.04 against dollar

*New Delhi:* The rupee pared initial losses and settled 16 paise up at 71.04 against the US dollar on Monday amid softening crude oil prices and weakening of the green-back vis-a-vis other currencies overseas. Fresh foreign fund inflows and positive developments on the US-China trade front also propped up the local unit, forex traders said.

### Unbundled licensing: Trai invites views

*New Delhi:* The Telecom Regulatory Authority of India (Trai) Monday released a pre-consultation paper on unbundling of different elements of telecom like infrastructure, network, services and application layers through differential licensing. The move came after the Telecom Department sought the regulator’s recommendation on the issue.

### BoB to sell up to 1.04 cr shares in UTI AMC

*New Delhi:* Bank of Baroda (BoB) on Monday said it will take part in the proposed IPO of UTI Asset Management Co (AMC) Ltd by way of offer for sale of up to 1.04 crore shares. The bank said it will offer up to 1,04,59,949 equity shares held by it.

### Jaguar Land Rover sales fall 3.4% in Nov

*New Delhi:* Tata Motors-owned Jaguar Land Rover (JLR) Monday reported 3.4 per cent decline in total retail sales at 46,542 units in November as compared to the year-ago period. The sales of the Jaguar brand were at 11,464 units during the month, down 23.1 per cent per cent from November last. Tata Motors said in a BSE filing.

### Four airports, airstrips up for bidding

*New Delhi:* The Civil Aviation Ministry Monday said it has invited bids for three unserved airports/ airstrips in Andaman & Nicobar Islands, and one underserved airport in Lakshadweep Island under the fourth round of the regional air connectivity scheme. The list of unserved airports/airstrips are Campbell Bay and Car Nicobar and Shibpur in Andaman & Nicobar. In Lakshadweep Island, it is at Agatti, as per a release. **PTI**