

How markets performed last week				
	Index on Dec 6, '19	*One- week	% chg over Dec 31, '18 Local currency	in US \$
Sensex	40,445	-0.9	12.1	9.9
Nifty	11,922	-1.1	9.7	7.5
Dow Jones	28,015	-0.1	20.1	20.1
Nasdaq	8,657	-0.1	30.5	30.5
Hang Seng	26,498	0.6	2.5	2.6
Nikkei	23,354	0.3	16.7	17.9
FTSE	7,240	-1.5	7.6	10.8
DAX	13,167	-0.5	24.7	20.3
*Change (%) over previous week Source: Bloomberg				

CITIZENSHIP BILL WILL BE JINNAH’S WIN OVER GANDHI: THAROOR

The passage of the Citizenship (Amendment) Bill in Parliament will mark the definitive victory of Mohammed Ali Jinnah’s thinking over that of Mahatma Gandhi’s, senior Congress leader Shashi Tharoor said on Sunday, asserting that the exercise of granting citizenship on the basis of religion will reduce India to a “Hindutva version of Pakistan”. The former Union minister also alleged that the BJP government wanted to single out “one community” and refused to grant its members asylum from oppression on the same conditions as other communities.

ECONOMY & PUBLIC AFFAIRS P4
Stricter audit norms with bigger scope on the cards

Auditors might soon have to provide a detailed report on usage of borrowed funds, comment on critical financial ratios, and flag off any factors that affect the going concern nature of the companies under audit, as the Centre plans to expand the scope of audits and improve scrutiny of firm’s financials. The Ministry of Corporate Affairs is planning to revise the Company Auditors Regulation Order 2016.

RUCHIKA CHITRAVANSHI writes

‘Investors convinced with our transformation story’

CV R RAJENDRAN, managing director and chief executive officer of CSB Bank, whose ₹410-crore initial public offering was subscribed a whopping 86.89 times, tells **TE Narasimhan** how the bank plans to position itself against non-banking financial companies.

Q&A **INTERVIEW ON PAGE 4**

BS **ON MONDAY**
SPECIALS

BANKER’S TRUST: Floccinaucinihilipilification or Panglossian?

The no-rate-cut policy and preference to wait for the Budget and clarity on fiscal front demonstrate Shaktikanta Das is maturing in his new role.

TAMAL BANDYOPADHYAY writes

ECONOMY: A year @ RBI: Keep calm, do what’s needed

RBI and the government had differences on many occasions, but the RBI governor didn’t let them play out in public.

ANUP ROY writes

PERSONAL FINANCE: Enjoy low-cost advantage in debt offering

Hold this product until maturity to circumvent any interest-rate or liquidity risk that may exist.

SANJAY KUMAR SINGH writes

POLITICS & PUBLIC AFFAIRS: Perils of going solo



Break-up with the AJSU and perceived anti-incumbency threaten the BJP’s chances against a united Opposition.

RADHIKA RAMASESHAN writes

STRATEGY: How Xiaomi cracked the TV code

Having entered the Indian TV market in 2018, the Chinese manufacturer has emerged the fourth-largest player here.

ARNAB DUTTA writes

THE SMART INVESTOR: SBI draws strong value addition from subsidiaries

The current valuation of SBI Cards is pegged way higher than analyst estimates; there is potential in others, too.

SHREEPAD S AUTE writes

STATSGURU: Ball in the fiscal court

Business Standard



COMPANIES P2

BAJAJ AUTO AIMS TO DO A KTM WITH HUSQVARNA

COMPANIES P2

INFY ATTRITION CHECK: 100% PAY HIKE FOR ‘POWER PROGRAMMERS’

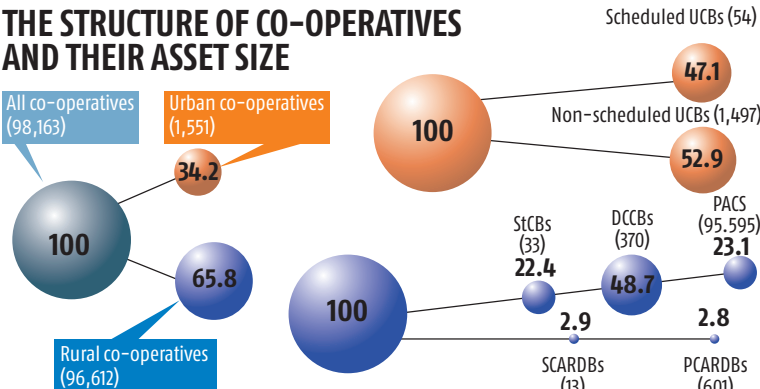


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RBI may become sole regulator of large UCBs

To end 50-plus years of dual regulation, forced conversion into commercial banks not ruled out

THE STRUCTURE OF CO-OPERATIVES AND THEIR ASSET SIZE



SCRBs: State Co-operative Banks; DCCBs: District Central Co-operative Banks; PACS: Primary Agricultural Credit Societies; SCARBs: State Co-operative Agriculture and Rural Development Banks; PCARBs: Primary Co-operative Agriculture and Rural Development Banks; Figures in parentheses indicate the number of institutions at end-March 2018 for UCBs and at end-March 2017 for rural co-operatives. Out of 54 scheduled UCBs, 32 are multi-state and 22 are single-state. Of 1,497 non-scheduled UCBs, 49 are multi-state and 1,447 are single-state. For rural co-operatives, the number of co-operatives refers to reporting co-operatives; Bubbles are scaled to asset size; Figures in bubbles represent share in % Sources: Offsite surveillance returns, RBI

RAGHU MOHAN & ABHIJIT LELE
Mumbai, 8 December

Large urban co-operative banks (UCBs) may come to be solely under the provisions of the Banking Regulation (BR) Act, even as the smaller among them are to remain within the exclusive fold of the Registrar of Co-operative Societies (RoCS). The upcoming changes will bring the curtains down on the vexed issue of dual control of UCBs, which has been in vogue for 54 years.

These banks came to be within the ambit of the Reserve Bank of India (RBI) when certain provisions of the BR Act were extended to them — effective March 1966 — even as the RoCS remained vested with significant powers regarding the functioning of their boards and management.

In the revised scheme, the inspection of the UCBs solely under the BR Act will be done by the central bank, with those of others being carried out by the RoCS. Both categories of UCBs will get cover from the Deposit Insurance and Credit Guarantee

Corporation. And the hike in the deposit insured, which is in the works, will also be extended to them.

The new framework will affect 1,551 UCBs in the country, which had a total business of ₹7.36 trillion.

According to the last consolidated number available in the RBI’s Report on Trend and Progress of Banking in India 2017-18 they have deposits of ₹4.56 trillion and advances of ₹2.80 trillion in 2017-18.

“The RBI and the Ministry of Finance are in advanced talks and the changes are to be incorporated in the Bill (unnamed as yet), which may be introduced in this session of Parliament. Dual regulation will go,” said a source, adding, “the nodal ministry for UCBs is the Ministry of Agriculture, and you will see inputs coming in from state governments as well.”

It was pointed out that the R Gandhi Committee’s (2015) suggestion of business size of ₹20,000 crore for conversion into a commercial bank could be revisited, and “even those below this threshold may be brought under the BR Act”.

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ANAJ MANDI BLAZE CLAIMS 43 LIVES



In one of the worst fire accidents in the Capital, 43 persons were killed after a massive blaze ripped through a four-storey building housing illegal manufacturing units in North Delhi’s Anaj Mandi area on Sunday morning. The incident is the most severe fire in the Capital after the Uphaar Cinema tragedy that claimed 59 lives and left over 100 injured.

PHOTO: PTI

Shapoorji banks on residential housing

RAGHAVENDRA KAMATH
Mumbai, 8 December

The Shapoorji Pallonji (SP) Group, which is 154 years old, is banking on its real estate arm for growth, even as some larger companies in its tent are struggling with debt and the residential property market itself is going through a prolonged slowdown.

Shapoorji Pallonji Real Estate (SP Real Estate) is looking to launch about 10 new projects and new phases in existing projects across the country under its different brands in the next four months.

This probably is a little smaller than the to-do list of Godrej Properties, which is launching 13-14 new projects or new phases of projects in the remainder of the current financial year.

Shapoorji’s new launches are coming up mostly in Mumbai, Pune, Kolkata, and Mohali. The launches are

SP REAL ESTATE FULL HOUSE

- Shapoorji Pallonji Group (SP Group) is looking to launch 10 new projects and new phases in existing projects
- Launches through SP Real Estate, and joint ventures Joyville and SD Corp
- It has a pipeline of 88 million square feet of development in the next couple of years.
- Top line from real estate expected to rise from ₹4,000 cr to ₹6,000 cr in a few years
- New launches coming up in Mumbai, Pune, Kolkata, and Mohali



in premium, luxury, and mid-income projects.

Apart from its main brand SP Real Estate (in ₹1-2 crore), it has a mid-income housing brand called Joyville (which operates in the ₹35 lakh-1 crore segment), and a joint venture (JV)

called SD Corp, which is into redevelopment with the Dilip Thacker Group.

Joyville is a JV between Shapoorji, Actis, the Asian Development Bank, and the International Finance Corporation.

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Bharti Telecom seeks ₹4,900-cr FDI nod

PRESS TRUST OF INDIA
New Delhi, 8 December

Bharti Telecom, a promoter of Bharti Airtel, has sought the government nod for infusing ₹4,900 crore from Singapore-based Singtel and other foreign entities, a move that would make the country’s oldest private telecom operator a foreign entity.

The fund infusion will enhance foreign stakeholding in Bharti Telecom to over 50 per cent, which will make it a foreign-owned entity, an official source aware of the development told *PTI*. Sunil Bharti Mittal and his family own around 52 per cent in Bharti Telecom, at present.

CALLING CARD

52% Sunil Bharti Mittal and family’s current stake in Bharti Telecom

50% Foreign stakeholding in Bharti Telecom after fund infusion



Bharti Telecom holds around 41 per cent in Bharti Airtel, while foreign promoter entities hold 21.46 per cent in the telecom firm. Public shareholders have around

43% Current foreign shareholding in Bharti Airtel

41% Bharti Telecom’s stake in Bharti Airtel

37% Public shareholders’ stake in the company

21.46% Foreign promoter entities’ stake in Bharti Telecom

37 per cent in the company.

“Bharti Telecom has applied for infusion of ₹4,900 crore in the company, which includes investments from Singtel and some other foreign investors,” the source said.

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Govt plans debut in clinical trials

ICMR may set up centres at its affiliated institutes for new antibiotics

SOHINI DAS
Mumbai, 8 December

Concerned about the rise of antibiotic resistance and the time it takes for drugs developed abroad to reach Indians, the government is considering holding its own clinical trials. The trials, to be held by the Indian Council of Medical Research (ICMR), could be the beginning of an overhaul of the clinical trial ecosystem.

The government has rarely ventured into this arena before. Clinical trials for new drugs have so far primarily been conducted only by private Indian or foreign drug firms. But given the stringent nature of India’s regulatory environment for clinical trials, several pharmaceutical companies have moved their trials out of India.

As a result, only 1.2 per cent of global clinical trials take place in India. Yet it has 20 per cent of the global disease burden. With so few trials held here, it takes too long for new drugs to be made available to patients. If, however, the government were to hold clinical trials here to test new drugs on the Indian population, they would reach those who need them much faster.

At a meeting last month, government officials discussed the proposal to set up clinical trial centres at institutions affiliated with the ICMR, replacing the current system.

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COMPANIES P3
SC GRANTS INTERIM STAY ON NCLAT ORDER ON ORCHID PHARMA RESOLUTION PROCESS



FIGHT AGAINST SUPERBUGS

- India’s share in global clinical trials has come down as several pharma firms have taken their trials out of the country
- India has **17%** of the global population and **20%** of the global disease burden. Yet only **1.2%** of the global clinical trials happen here (as of February)
- Indian Council of Medical Research (ICMR) is concerned about the growing menace of **antibiotic resistance**
- GARDP has an MoU with ICMR to develop partners to conduct **clinical development**