

PNB set to revamp business of 5 RRBs

ABHIJIT LELE
Mumbai, 13 March

At head of the merger of Oriental Bank of Commerce (OBC) and United Bank of India (UBI) with itself, Punjab National Bank (PNB) has rolled out an exercise to revamp the business and strategy of its five regional rural banks (RRBs) having a combined business of ₹1.03 trillion. PNB is roping in an advisor to create a roadmap for its RRBs. This is expected to address potential opportunities such as digitisation and analytics.

The consultancy or advisory firm will conduct assessment of core business opportunities and work towards a holistic operating model review. The objective is to work with the RRBs' internal team to significantly enhance their performance trajectory, banking sources said.

The five RRBs sponsored by PNB are operating in five states - Bihar, Haryana, Himachal Pradesh, Punjab and Uttar Pradesh - covering 93 districts with a network of 3,350 branches.

OBC and UBI are set to merge with PNB from April 1 this year. This is an opportunity to work for synergy and create capacity for future businesses for PNB. That includes associate entities like RRBs, a bank official said. These RRBs will continue to maintain an independent set up and focus on needs of the region under their jurisdiction.



At present, Five RRBs are sponsored by PNB which are operating in five States - Bihar, Haryana, Himachal Pradesh, Punjab and UP

The entire exercise of assessment and implementation of the plan will be spread over 21 months in two phases. Scope of the exercise would cover cost optimisation, risk management, asset management, maximising returns from technology and procurement and contract management.

There is room for cost optimisation and advisors will analyse the trends of various components of direct and indirect costs. They will identify areas where cost optimisation is feasible.

Under risk management, they will study the current risk assessment policies and indicators for credit risk, operational risk and market risk of RRBs. The risk management will be benchmarked with industry best practices.

Delhi Assembly passes resolution asking Centre to withdraw NPR, NRC

PRESS TRUST OF INDIA
New Delhi, 13 March

The Delhi Assembly passed a resolution against the National Population Register (NPR) and the National Register of Citizens (NRC) on Friday.

The resolution "earnestly" appealed to the Centre to withdraw and not carry out the whole exercise of NRC and NPR "in the interest of the nation, particularly when the economy is witnessing the worst-ever downside and unemployment is witnessing a terrifying growth, and with the threat of the corona pandemic looming large".

It also said "should the Government of India insist on going ahead" with the exercise, it should be restricted to carrying out the NPR only with its 2010 format and no new fields added to it.

Delhi joins the list of the assemblies of Puducherry, Punjab, Madhya Pradesh, Kerala and West Bengal in



"Sixty-one members of the House do not have birth certificates... will they be sent to detention centres?"

ARVIND KEJRIWAL
Chief Minister of Delhi

(AAP) supremo challenged Union ministers to show their birth certificates issued by the government.

He asked the MLAs to raise their hands if they had birth certificates, following which only nine legislators in the 70-member House raised their hands.

"Sixty-one members of the House do not have birth certificates," Kejriwal said, adding, "Will they be sent to detention centres?" He claimed that with the NPR being implemented from next month, not only Muslims, but also Hindus who do not have birth certificates issued by a government agency will be affected.

"If you are a Muslim and do not have documents, you will be sent to a detention centre. If you are a Hindu from Pakistan, you will be given citizenship. But if you are an Indian Hindu and do not have documents, you will still be sent to a detention centre," the chief minister said.

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Claiming that Aadhaar cards and voter identity cards will not be accepted during the NPR exercise, he stressed that only birth certificates issued by a government agency will be accepted.

Kejriwal hit out at the BJP-led Centre for creating an issue over the NPR and the NRC at a time when the country's economy was not in a good condition.

"At a time when the economy is not in a good situation and there is unemployment, instead of looking for solutions to these problems, imaginary issues like CAA, NRC and NPR have been created... I do not know who will benefit from this," he said.

Fast-track rights issue: Sebi comes out with guidelines for REITs, InvITs

PRESS TRUST OF INDIA
New Delhi, 13 March

Markets regulator Sebi on Friday put in place a framework for emerging investment instruments REITs and InvITs for issuance of units under the fast-track rights issue mode.

This comes after the regulator earlier this month allowed fast-track rights issue by (REITs) and infrastructure investment trusts (InvITs) without filing draft offer document with Sebi.

In a circular, the regulator said listed REITs and InvITs desirous of issuing units under fast-track rights issue will have to comply with certain guidelines.

The units of these instru-

ments should be listed on any stock exchange for a period of at least three years immediately preceding the record date and all the units of the InvIT and REIT are held in demat form on the record date.

Among other conditions, the average market capitalisation of public unitholding of InvIT and REIT each should be at least Rs 250 crore and these investment instruments need to redress at least 95 per cent of the complaints received from the investors till the end of the quarter immediately preceding the month of the record date.

Sebi said there should not be any regulatory action imposed on the InvIT and REIT in the three years preceding the year in which rights issue has

been proposed. The imposition of monetary fines by stock exchanges on the InvIT will not be a ground for ineligibility for undertaking issuances under this clause.

Further, there should not be any show-cause notices issued or prosecution proceedings initiated or pending against these instruments or their promoters or directors; they also should not have settled any alleged violation under the settlement mechanism; and units of InvIT and REIT should not be suspended from trading as a disciplinary measure during last three years immediately preceding the record date.

"The sponsor(s) shall mandatorily subscribe to their rights entitlement and shall

not renounce their rights, except for the purpose of complying with minimum public shareholding norms prescribed under the InvIT/REIT Regulations," the Securities and Exchange Board of India (Sebi) said.

With regard to preferential issue and institutional placement of units by listed InvITs and REITs, Sebi said units allotted to sponsor and its associate will be locked-in for three years from the date of trading approval granted for the units.

This is provided that not more than 25 per cent of the total unit capital of the InvIT and REIT will be locked-in for three years and units allotted in excess of 25 per cent need to be locked in for one year.

Pawar, Scindia in fray for RS polls

PRESS TRUST OF INDIA
New Delhi, 13 March

Rajya Sabha Deputy Chairman Harivansh, NCP supremo Sharad Pawar, BJP's newest recruit Jyotiraditya Scindia and Congress veteran Digvijay Singh are among those in the fray for elections to 55 Rajya Sabha seats to be held on March 26 with a number of the contestants set to get elected unopposed.

Friday was the last date of filing of nominations for the biennial polls. Fifty-one of these 55 seats from 17 states are falling vacant on different dates in April due to retirement of sitting members, while four other seats are already vacant due to resignation of members.

Bypoll will also be held to a



Rajya Sabha seat from Haryana vacated by former Union minister Birender Singh.

A keen battle is on the cards in Madhya Pradesh, where the Kamal Nath government faces a grim future following rebellion by at least 22 MLAs, as both the BJP and the Congress have

announced two candidates each for the state's three seats.

Scindia and Digvijay Singh are expected to comfortably win in the polls. The BJP's Sumer Singh Solanki and Phool Singh Baraiya of the Congress are likely to slug it out for the third seat.

The two parties are comfortably placed to ensure the win of one of their candidates, and while the Congress appeared to have an edge for the third seat but the decision of its 22 MLAs to resign from the state assembly has upended the numbers game.

Most of these MLAs are supporters of Scindia, who joined the BJP on Wednesday after quitting the Congress a day before.

AROUND THE WORLD

France to allow some Huawei gear in its 5G network

REUTERS
Paris, 13 March

France will authorise the use of some of Huawei's equipment in the rollout of its 5G network, two sources close to the matter told Reuters, despite US calls to exclude the Chinese telecoms giant from the West's next-generation communications.

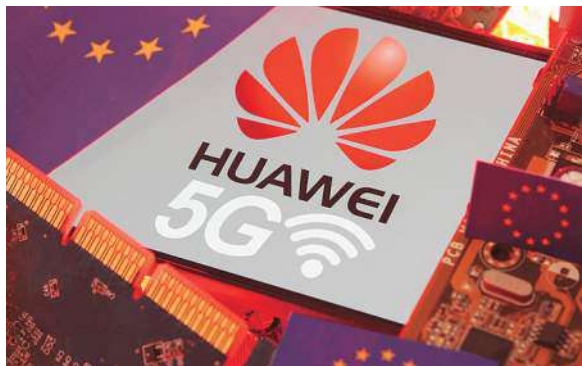
The French cybersecurity agency, ANSSI, is due to tell telecoms operators which equipment they are allowed to use for the deployment of their 5G network in France, but has not made public any decision.

The two sources, who spoke on condition of anonymity, said ANSSI had decided to approve the use of Huawei gear, but only for what they described as non-core parts of the network, as these pose less significant security risks. "They don't want to ban Huawei, but the principle is: 'Get them out of the core mobile network,'" one of the two sources said.

A spokeswoman for ANSSI declined to comment.

Core mobile networks carry higher surveillance risks because they incorporate more sophisticated software programs that process sensitive information such as customers' personal data.

French authorities' deci-



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sion over Huawei's equipment is crucial for two of the country's four telecoms operators, Bouygues Telecom and Altice Europe's SFR, as about half of their current mobile network is made by the Chinese group.

State-controlled Orange, has already chosen Huawei's European rivals, Nokia and Ericsson, which U.S. operates have favored over Huawei.

Up to now, sources close to the French telecoms industry have said they fear Huawei will be barred in practice even if no formal ban is announced.

By granting a partial authorisation to Huawei, France would follow Britain's footsteps, as British Prime Minister

Boris Johnson granted Huawei a limited role in the country's 5G network.

Neighboring Germany is also struggling to reach consensus on the way forward. Chancellor Angela Merkel's ruling conservatives back tougher rules on foreign vendors but have stopped short of an outright ban on Huawei.

France is likely to follow instructions given by European Union's industry chief Thierry Breton, who said in interviews that telecoms operators should not select "risky vendors" for strategic sites such as capital cities, military bases and nuclear plants, a separate telecoms industry source said.

SoftBank unveils \$4.8 bn buyback after stock tumble

REUTERS
Tokyo, 13 March

SoftBank Group Corp is buying back up to \$4.8 billion of its shares after their recent slump, a move that partially met the demand of activist fund Elliott Management but failed to soothe investors panicking from the coronavirus pandemic.

The Paul Singer-led hedge fund backed SoftBank's buyback of up to 7% of its shares for as much as 500 billion yen (\$4.8 billion).

It comes after Elliott pressed SoftBank earlier this year for \$20 billion in stock buybacks by selling down its stake in Chinese e-commerce giant Alibaba, and follows a nearly 25% decline in the Japanese investment group's shares in March.

"SoftBank's announcement of its intention to commence an initial buyback program of 500 billion yen is clearly an important first step in addressing the company's significant undervaluation, and one that Elliott supports," Elliott said in a short statement on Friday.

J&J: Demand for consumer products surge due to COVID-19

Johnson & Johnson is seeing a spike in demand for its consumer products in some markets, the company said on Thursday, as the rapid spread of coronavirus around the world prompts people to stock up on essentials.

The company, which makes Tylenol over-the-counter pain killer and Listerine mouth wash, did not identify the products that were in demand but said it was meeting the surge in a "controlled manner".

J&J also said it was taking all possible measures to maximize the availability of these products. The coronavirus, which originated in Wuhan, China last year, has



spread to more than 100 countries and killed nearly 5,000 people worldwide, sparking a rush for everyday items ranging from toilet paper to packaged foods.

Pharmacy chain Walgreens Boots Alliance Inc and supermarket chain Kroger Co on Thursday placed purchase limits to stabilize inventory.

Kroger placed a limit on the number of cold, flu and sanitary products per order, while Walgreens said it was limiting disinfectant wipes and cleaners, face masks, hand sanitizers, thermometers and gloves to four each per customer.

The company also said majority of its global medical device manufacturing was running at or near normal capacity, and that it does not expect the outbreak to cause any disruptions to its supply of medicines.

REUTERS