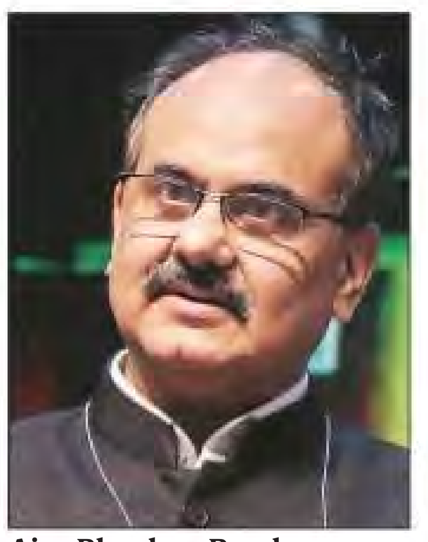
Revenue Secretary Pandey named Fin Secy

ENS ECONOMIC BUREAU
NEW DELHI, MARCH 3



Ajay Bhushan Pandey

REVENUE SECRETARY Ajay Bhushan Pandey was on Tuesday designated Finance Secretary, the position conventionally accorded to the seniormost among the five secretaries of the Finance Ministry.

The Appointments Committee of the Cabinet (ACC) approved designating Pandey, a 1984 batch IAS officer of Maharashtra cadre, as finance secretary, following the superannuation of Rajiv Kumar, financial services secretary, last month.

Atanu Chakraborty, a 1985 batch IAS officer of Gujarat cadre, is at present secretary, Department of Economic Affairs. Tuhin Kant Pandey, a 1987 batch IAS officer of the Odisha cadre, is secretary of the Department of Investment and Public Asset Management. His batchmate from Tamil Nadu cadre, T V Somanathan is secretary, Department of Expenditure. Debasish Panda, also from the same batch, is financial services secretary.

Pandey has been at the helm of significant reforms such as the sharp reduction in corporate tax rate, introduction of faceless e-assessment, Document Identification Number (DIN) system and measures to bring down litigation in tax matters. Under his watch, the government has sought to put higher burden of taxes on top earners while providing relief to taxpayers at the bottom. Pandey, an electrical engineering graduate from IIT Kanpur and Phd in Computer Science from University of Minnesota, is of the view that recent decisions by the government, including the option of choosing a tax rate, will help in laying the foundation of a simple tax regime with minimal exemptions, which will benefit both the taxpayers and the tax department.

At present, he also holds the position of chairman of the Goods and Services Tax Network (GSTN). Pandey has earlier served as the UIDAI CEO. At UIDAI, he was instrumental in bringing in Aadhaar and its linkage to government subsidies.

STUCK IN LITIGATION FOR 939 DAYS

NBCC receives NCLT approval to acquire Jaypee Infratech

ENS ECONOMIC BUREAU
NEW DELHI, MARCH 3

THE PRINCIPAL Bench of National Company Law Tribunal (NCLT) on Tuesday approved, with modifications, the resolution plan submitted by NBCC (India) to take over debt-laden Jaypee Infratech. A two member Bench, headed by acting president B S V Prakash Kumar, in an oral order said the Rs 750 crore, deposited with the Supreme Court by Jaypee Associates, would also be part of the plan.

A detailed written order would be made available on Wednesday, the Bench said.

Jaypee Infratech, which has been stuck in litigation for 939 days as against a Insolvency and Bankruptcy Code's initial deadline of 270 days, was taken to the Allahabad bench of NCLT by IDBI Bank led banks' consortium. The committee of Creditors (CoC), consisting of 13 banks, had initially rejected a Rs 7,350-crore joint bid submitted by Lakshadweep Investments & Finance and Suraksha Realty.

In the second round of bidding, the plans submitted by both Suraksha Realty and NBCC had been turned down by the lenders. The current plan submitted by NBCC, was approved in the third round by the CoC in December last year.

In its plan, NBCC had proposed to complete pending work on nearly 20,000 flats located in Noida and Greater Noida. The state-owned construction company had also proposed to transfer all road assets to the lenders, but with a condition that it would borrow Rs 2,500 crore against expected toll revenue to fund the construction and completion of pending projects.

After the Supreme Court intervened last year, the central government had said that it was "willing to give tax concession running into hundreds of crores" and enhance the compensation being given to the farmers but only if NBCC was allowed to complete the pending projects.

DETAILS OF THE PLAN

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'Global smartphone sales fall marginally in Q42019'

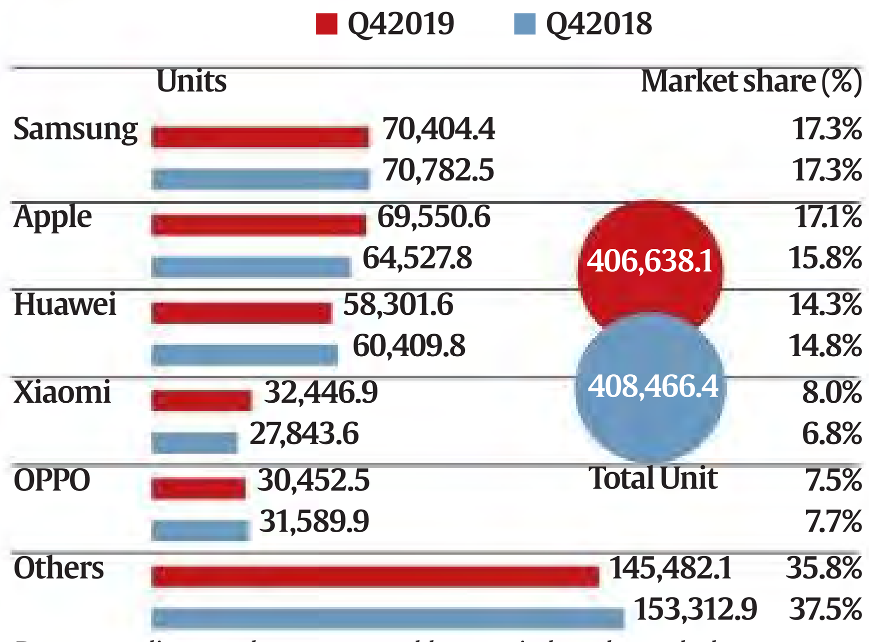
Global sales of smartphones to end users contracted in the fourth quarter of 2019, declining by 0.4 per cent year over year, according to Gartner

SAMSUNG, HUAWEI AND XIAOMI BUCK THE TREND

- Despite a small (0.5 per cent) year-over-year contraction in its smartphone sales in the fourth quarter of 2019, Samsung maintained its No. 1 position in the global ranking for 2019
- Huawei experienced the highest growth in 2019 with an overall annual increase of 18.6 per cent
- Huawei aggressively pursued its strategy in China, where it grew its market share by 37 per cent in 2019

- APPLE AND XIAOMI WERE THE ONLY VENDORS IN THE TOP FIVE TO ACHIEVE GROWTH IN THE FOURTH QUARTER OF 2019
- BACK TO GROWTH AFTER FOUR CONSECUTIVE QUARTERS OF DECLINE, APPLE'S iPHONE SALES RETURNED TO GROWTH, RISING 7.8 PER CENT IN Q4

WORLDWIDE SMARTPHONE SALES IN Q42019 (THOUSANDS OF UNITS)



Due to rounding, numbers may not add up precisely to the totals shown

Source: Gartner (March 2020)

***India, which sold** 151.9 million units, overtook the US to become the number 2 country for smartphone sales in 2019*

***China maintained** the lead, with sales of 390.8 million smartphones over the full year*

Source: Gartner

90-day amnesty scheme to LLPs for filing delays

ENS ECONOMIC BUREAU
NEW DELHI, MARCH 3

The scheme, which is set to be run for 90 days from March 16 to June 13, will allow LLPs to file these forms for a delay fee of Rs 10 per day with a maximum of Rs 5,000 per form

THE GOVERNMENT is set to introduce an amnesty scheme for Limited Liability Partnership (LLP) firms for delays in mandatory filings which could benefit 20-25 per cent of the 1.25 lakh LLPs registered in the country. The move is aimed at bringing non-compliant LLPs into the legal fold, a senior government official told the Indian Express.

Under the scheme, LLPs will be given a three-month window to complete overdue filings of four forms through which LLPs provide details of the LLP agreement, partners as well as statement of accounts and annual returns.

The scheme which is set to be run for 90 days from March 16 to June 13 will allow LLPs to file these forms for a delay fee of Rs 10 per day with a maximum of Rs 5,000 per form. Under the LLP act, the charge for delayed filing is Rs 100 per day with no upper limit.

The government had in January extended a provision in the Companies Act to LLPs allowing it to condone delays in filing of documents. LLPs are a lower cost and lower compliance business structure relative to companies.

"We have extended these provisions to the LLP act and under that we are bringing a settlement scheme for these 4 forms," said a senior government official adding that over 11,000 LLPs had not yet filed forms 3 and 4 which provide details of the LLP agreement and partners.

"In cases where these forms have not been filed for 10 years, a stakeholder may have to pay over Rs 3.5 lakh (under the LLP Act). They are presently not completing filings because it is too expensive," the official said adding that the settlement scheme would allow these LLPs to come back within the fold of the law.

Experts say the move would improve compliance and may even prompt some LLPs to re-initiate business activity.

"They (LLPs) can regularise their non-compliance. A lot of the LLPs have stopped carrying out activities because they found out after a couple of years of starting their LLPs that these filings were to be done and that there were large additional fees to be paid and had chosen to start business in other forms. They can now re-initiate business activities," said Ankit Singhi, partner at law firm Corporate Professionals.

"This move will also bring such LLPs back into the fold of the compliance regime," he added.

BRIEFLY

SBI Cards IPO subscribed 87% on Day 2

New Delhi: The IPO of SBI Cards and Payment Services was subscribed 87 per cent on the second day of bidding on Tuesday. The public offer received bids for 8,75,37,636 shares against the total issue size of 10,02,79,411 shares, as per data available with the NSE.

TCS, HCL Tech advice to staff to tackle virus

New Delhi: Tata Consultancy Services and HCL Tech instructed staff to avoid non-essential travel as IT firms put in place measures to safeguard workers against the deadly coronavirus.

Duthaluru is Uber global engg head for CC platform

New Delhi: Uber Tuesday said it has appointed Vidhya Duthaluru the global engineering head for its Customer Care platform.

FCA India launches Rubicon for ₹68.94 lakh

New Delhi: FCA India Tuesday launched its Jeep Wrangler Rubicon SUV model priced at Rs 68.94 lakh (all-India price).

Indian Railway Finance Corp gets nod for IPO

New Delhi: Indian Railway Finance Corporation (IRFC) has got markets regulator Sebi's approval for its initial public offer (IPO). The IPO comprises fresh issue of 93.8 crore equity shares and an offer for sale of 46.9 crore equity shares by the government of India. **PTI**

FDI inflow declines slightly to $10.67 bn in Oct-Dec

PRESS TRUST OF INDIA
NEW DELHI, MARCH 3

FOREIGN DIRECT investment into India dipped marginally by 1.4 per cent to $10.67 billion (about Rs 76,800 crore) during October-December period of 2019-20, according to government data.

Inflow of foreign direct investment (FDI) during October-December of 2018-19 stood at $10.82 billion.

FDI inflows in July-September period of the current financial year stood at $9.77 billion.

During April-December period of 2019-20, foreign investments into the country grew 10 per cent to $36.76 billion as against $33.49 billion in the same period of 2018-19, according to the data.

Sectors which attracted maximum foreign inflows during the nine month period include services ($6.52 billion), computer software and hardware ($6.35 billion), telecommunications ($4.29 billion), automobile ($2.50 billion) and trading ($3.52 billion).

Singapore continued to be the largest source of FDI in India during April-December period of the current financial year with $11.65 billion investments. It was followed by Mauritius ($7.45 billion), the Netherlands ($3.53 billion), Japan ($2.80 billion) and the US ($2.79 billion).

FDI is important as the country requires major investments to overhaul its infrastructure sector to boost growth.

The government had last year relaxed foreign investment norms in sectors such as brand retail trading, coal mining and contract manufacturing.

Sebi revises investment manager eligibility regulations for InvITs

PRESS TRUST OF INDIA
MUMBAI, MARCH 3

SEBI HAS revised its investment manager eligibility norms for Infrastructure Investment Trusts (InvITs) and also permitted fast-track rights issue by REITs and InvITs without filing draft offer document with the regulator.

The investment manager needs to have an experience of at least five years in fund management or advisory services or development in the infrastructure sector, Sebi said.

Alternatively, Sebi has also allowed a combined relevant experience of at least 30 years of directors, partners and employees of the investment manager, even if it is a newly created entity. "For computing the combined experience, only the experience of the directors/partners/employees with more than 5 years of experience in fund management or advisory services or development in the infrastructure sector shall be considered," the regulator added.

Currently, InvIT regulations require the investment manager to have at least 5 years of experience in fund management or advisory services or development in the infrastructure sector. Besides, the investment manager needs to have at least two employees, each with five years of experience in the infrastructure sector.

Amending the regulations on Monday, the regulator also said that REIT and InvIT will not be required to file draft offer document with the regulator in case of a fast-track rights issue, "subject to the fulfilment of the conditions as specified by the Board from time to time."

For this, the regulator has amended Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014.

The regulations were amended after the regulator in its board meeting on February 17 decided to amend its investment manager eligibility norms for InvITs and permit fast-track issuance of units to existing investors in REITs and InvITs.

The changes in the eligibility norms will help a mega offering worth an estimated Rs 20,000 crore by the National Highways Authority of India (NHAI), which is in the process of setting up an InvIT to monetise its completed public-funded national highways. The markets regulator also revised norms of compensation and penalty applicable on termination of contracts under the regaining matched book regulations for commodity derivatives segment on Tuesday.

Sebi, in September 2016, had come out with risk-mitigating tools, christened as regaining matched book rule, for the commodity market. A circular on Tuesday said that the norms related to compensation and penalty applicable on tear-up of positions have been revised following feedback from Clearing Corporations and stakeholders.

Railways carries highest-ever freight volume in February at 106.5 MT

AVISHEK G DASTIDAR
NEW DELHI, MARCH 3

TOTAL FREIGHT

1,108 MT

- By the end of February, the total freight carried by the national transporter stood at 1,108 million tonne, which is around 5 million tonne more than what it was this time last year. Last March, Railways carried 119.58 million tonne of freight. Officials say this figure is likely to be breached by the end of this month.

DESPITE A tepid economy, Indian Railways has turned around its performance by carrying the highest-ever volume of freight in February, tapping into some economic activity in various sectors.

Buoyed by the performance, policymakers are now hopeful that it may end up crossing its last year's freight loading mark of 1,223 million tonnes by March 31, which was also the revised target for this fiscal year, owing to a lukewarm demand for freight transportation throughout the year.

Railways freight loading performance has traditionally been regarded as an important indicator of the economy.

At 106.5 million tonnes, February saw the highest-ever freight movement for the month, surpassing the previous record of 100 million tonnes clocked last February. With this being a leap year, February had an extra day. But, the transporter already crossed the 100 million tonne-mark in 28 days and, on the 29th day, carried some 3.5 million tonnes more to reach the 106.5 million tonne-mark.

With this, by the end of February, the total freight carried by the national transporter stood at 1,108 million tonne, which is around 5 million tonne more than what it was this time last year. Last March, Railways carried 119.58 million tonne of freight. Officials say this figure is likely to be breached by the end of this month.

Coal loading by Railways also witnessed a surge.

In February, it carried a 51 million tonne of coal, which was about 1.7 per cent more than the year-ago month.

For the most part of this fiscal year, the freight loading figures had remained in the negative *vis-à-vis* last year's performance.

Making good the sustained shortfall was cement, which saw a 21 per cent increase last month in the freight basket of the transporter.

Iron ore carried during the time was also about 16 per cent more. Petroleum and such products saw a 16 per cent rise, too, even though the volume remained in single digits. Container movement picked up by about 8 per cent more than last February, giving the freight loader some reason to cheer.

Policymakers said with the 15 per cent busy season surcharge removed purely as a business decision last year, much of the commodities, especially the cement industry, shifted a lot of its consignment from road to Railways, bringing in the much-needed numbers.

However, all this might not translate into much of an uptick in the amount of money earned from freight. This is thanks to around Rs 8,000 crore already received last fiscal towards an advanced payment taken from its mega clients to carry an equivalent volume of freight this year.

OPEC+ EXPECTED TO CONSIDER DEEPENING CUTS, ALTHOUGH RUSSIA HAS SO FAR PROVED RELUCTANT TO BACK THAT PROPOSAL

OPEC, allies to consider significant output cuts as coronavirus hits demand

Brent crude was up $1.50 a barrel, or 2.7 per cent, at $53.40 by 10:45 a.m. EST (15:45), off the session high of $53.90 a barrel

REUTERS
VIENNA, MARCH 3

OPEC AND its allies will consider making substantial oil production cuts to lift prices that have been battered by the coronavirus outbreak, Algeria's oil minister said on Tuesday, as ministers began arriving for talks in Vienna this week.

The group known as OPEC+ is expected to consider deepening its existing cuts by removing a further 1 million bpd, although Russia has so far proved reluctant to back that proposal despite a 20 per cent fall in oil prices since the start of the year.

The Organization of the Petroleum Exporting Countries, Russia and other producers already have a deal in place to cut output from Jan. 1 by 2.1 million barrels per day (bpd), a figure that includes additional voluntary cuts by Saudi Arabia.

But that has not been enough to counter the impact of the virus on China, the world's biggest oil importer, and on the global economy, as factories are disrupted, fewer people travel and other business slows, curbing oil demand.

As other international conferences and gatherings have been scrapped because of the virus, OPEC officials considered whether talks should be held in person or by video. On Tuesday, the group announced that the number of delegates attending would be limited and journalists, who usually chase ministers, would not be allowed into OPEC's Vienna headquarters.

"It will be difficult diplomatically. Ministers shake hands, hug, kiss (on cheeks). What will we do?" one delegate said.

Oil prices rose on Tuesday but remained below session highs reached after the US Federal Reserve cut interest rates.

Brent crude was up $1.50 a barrel, or 2.7 per cent, at $53.40 by 10:45 a.m. EST (15:45), off the session high of $53.90 a barrel hit immediately after the rate cut. US West Texas Intermediate (WTI) was up $1.49 a barrel, or 3.1 per cent, at $48.23 a barrel, after trading as high as $48.66.

Brent and WTI have rebounded over the past two days after sliding more than 20 per cent from their January peak on signs the spread of the coronavirus had dented fuel demand.

Before this week's meeting, sources said Saudi Arabia and some other producers had proposed extending the existing pact beyond its March expiry until the end of 2020 while also cutting another 1 million bpd of output only for the second quarter.

Russia, which has indicated support for an extension, has yet to swing behind the proposal for deeper cuts, even though oil prices have tumbled to about $52 a barrel.

At that level, many OPEC states will struggle to balance their budgets, although Russian President Vladimir Putin has said that current price was acceptable to Moscow.

A cut in US interest rates on Tuesday supported oil prices, but they took another brief knock when an OPEC+ panel, the Joint Technical Committee (JTC), recommended a further cut of 600,000 bpd in the second quarter, the same level it recommended last month.

The JTC also recommended extending existing cuts to the end of 2020. Ministers could still decided to back deeper cuts.

"We will discuss the possibility of a new substantial cut by withdrawing from the market the quantities that are not consumed due to the coronavirus (outbreak)," Algerian oil minister and OPEC President Mohamed Arkab told state news agency APS.

"The trend is towards the continuation of the cuts adopted in December 2019. We already have a consensus between OPEC and non-OPEC, including Russia, on this point."

OPEC bars media from meet over coronavirus fears

London: OPEC said on Tuesday it was limiting the number of OPEC and non-OPEC delegates attending the producer organisation's policy meeting on March 5 and 6 to a bare minimum, in light of the coronavirus outbreak.

The group also said in a statement that members of press would not be allowed to enter the OPEC secretariat building in Vienna for the meeting.

"This precautionary measure has become necessary due to the public health risk that would come from convening such a vast number of people in one place," OPEC said. **REUTERS**