



## ECONOMY

### Companies allowed to pass on volume benefit to consumers for GST cut

The National Anti-Profitsteering Authority (NAA) said companies are free to offer volume benefit or price reduction to consumers, in the wake of rationalisation of GST rates. To evaluate cases of GST benefits, the NAA has decided to look into three yardsticks - proportionate grammage increase (volume) in products, timeline of the passing on the benefit, and additional benefits offered by a firm.



### World Bank to give India \$250 million for women-led businesses in rural areas

The World Bank will provide a \$250-million loan for the National Rural Economic Transformation Project (NRETP) to help women in rural households develop viable enterprises for farm and non-farm products. A key focus of the project will be to promote women-owned and women-led farm and non-farm enterprises across value chains; enable them to build businesses that help them access finance, markets and networks; and generate employment. NRETP is an additional financing to the \$500-million National Rural Livelihoods Project (NRLP) approved by the World Bank in July 2011.

### Govt approves projects, revival scheme worth Rs 31,000-cr for power sector

The central government has cleared projects and schemes totalling Rs 31,000 crore to boost investment in the languishing power sector. The Cabinet Committee on Economic Affairs (CCEA) approved two thermal power and two hydropower projects, a hydropower scheme and a revival scheme for stressed assets.

### Centre likely to hike import duty on consumer durables yet again

Not content with raising the import duty on key components of television (TV) sets last year, the government is now mulling another round of duty hike — this time on raw materials used in home appliances such as air conditioners (ACs), refrigerators, washing machines, and microwave ovens. It is learnt that the Ministry of Commerce is considering a proposal to increase Customs duty on compressors for ACs and refrigerators and pre-coated steel sheets and copper tubes used in making condensers, among others. This, despite the fact that the duty on compressors was raised from 7.5 per cent to 10 per cent last year and that on fully finished ACs, refrigerators, and washing machines, among other items, doubled to 20 per cent.

## COMPANIES

### ITC working to strengthen its backend for next level e-Choupal initiative

Diversified conglomerate ITC Ltd is working on an aggregator model to strengthen its backend for its e-Choupal initiative which currently enables four million farmers in the country digitally. This aggregator model, which includes a mobile phone app, will be the fourth version of the e-Choupal which will become the aggregator of e-services to the farmers. The existing one offers personalised crop management advisory services and increases the employability of the rural youth besides providing other digital services. It is projected that under the version 4.0 of e-Choupal, digital technology will no longer be limited inside a kiosk and will be made available on the mobile platform.

### Germany's Deutsche Bank is setting up bad-loan buying unit in India

Deutsche Bank AG is setting up a unit in India to buy and reorganize soured debt as it seeks to profit from an unprecedented bad-loan clean-up in the nation with one of the world's worst non-performing loan ratios. The German bank felt the need to have its own asset reconstruction company to buy and reorganize non-performing credit as current Indian rules restrict overseas investors from buying soured loans directly from lenders in the country, the people said, asking not be identified as the information isn't public. Bank of America Corp. is also considering setting up a similar unit, other people familiar with the matter said. More than 29 ARCs have been set up in India after parliament passed a law in 2002 to help banks clear their balance sheets by selling bad loans.

### Amazon India, Flipkart ready to tap Rs 35,000-crore online insurance market

India's two biggest e-commerce players Amazon India and Flipkart are ready to tap the Rs 35,000-crore online insurance market for the next level of growth. The online insurance market is so promising that Flipkart's co-founder Binny Bansal and Amazon have made mega investments in the same firm in this space. The two companies have been perfecting their game plans and scouting for partners for tie-ups. From general, life, auto, and travel to mobile phone safety insurance, both companies aim at getting the lion's share in online insurance pie. The firms are also bringing senior hands in the insurance space to understand the sector and ready their plan. By the year-end, this could be the biggest vertical for these firms outside of shopping.

### ICICI Lombard partners Mobikwik to offer cyber-insurance cover of Rs 50,000

ICICI Lombard and Mobikwik Monday announced a partnership to offer cyber-insurance cover of Rs 50,000 crore to protect against online frauds. General insurer ICICI Lombard and digital financial services platform Mobikwik said the partnership aims to provide protection against unauthorised and fraudulent transactions online, across bank accounts, debit/credit cards and mobile wallets. MobiKwik users can avail the 'Commercial Cyber Insurance' policy underwritten by ICICI Lombard and enjoy the benefit of a stress-free and secured transaction for its users who opt for this cover



## FINANCE

### GST exemption limit of Rs 40 lakh for SMEs to be effective from April 1

The government notified April 1 as the date for the implementation of doubling of GST exemption limit to Rs 40 lakh, which will benefit small and medium enterprises. Besides, the effective date for availing higher turnover cap of Rs 1.5 crore for availing composition scheme by traders has also been fixed as April 1. Also, service providers and suppliers of both goods and services with a turnover of up to Rs 50 lakh would be eligible to opt for the GST composition scheme and pay a tax of 6 per cent from the beginning of next fiscal.

### Zydus Cadila gets USFDA nod to market generic anti-diabetic drug

Drug firm Zydus Cadila said it has received tentative nod from the US health regulator to market generic Sitagliptin and Metformin Hydrochloride extended-release tablets used for controlling blood sugar levels. The company has received the tentative approval from the United States Food and Drug Administration (USFDA) to market Sitagliptin and Metformin Hydrochloride extended-release tablets in the strength of 50 mg/500 mg, 50 mg/1,000 mg and 100 mg/1,000 mg. The tablets will be manufactured at the group's formulations manufacturing facility at SEZ, Ahmedabad.



### Brookfield Asset Management consolidates in India with two deals

Hotels, gas pipeline, real estate Canadian investment firm Brookfield Asset Management seems to be on a deal-making spree in India. Earlier, an investment trust led by Brookfield bought RIL's East West Pipeline

for Rs 13,000 crore (\$1.87 billion). It announced the Rs 3,950-crore deal to acquire five assets Hotel Leela Venture.



### RBI inks \$75-billion bilateral swap arrangement with Bank of Japan

The Reserve Bank of India (RBI) and Bank of Japan have signed a bilateral swap arrangement (BSA) for an amount up to \$75 billion. The bilateral swap facility was approved by the Cabinet in mid-January in order to allow India to manage its exchange rates better. The facility will allow India to have additional resources to manage exchange rate fluctuations, and will give Indian companies better negotiating power overseas when the exchange rate remains stable. The agreement was done during Prime Minister Narendra Modi's visit to Japan in October 2018.



### White label ATM operators allowed to buy wholesale cash directly from RBI

The Reserve Bank relaxed norms for white label ATM (WLA) operators and allowed them to buy wholesale cash directly from the central bank. The RBI also permitted WLA operators to source cash from any bank, including cooperatives and regional rural banks. WLAs are owned and operated by non-bank entities on behalf of the banks. On a review of operations of WLAs and representations received from stakeholders, as also to enhance the viability of WLAs, it has been decided to allow them to buy wholesale cash, above a threshold of 1 lakh pieces (and in multiples thereof) of any denomination, directly from the Reserve Bank and currency chests against full payment.

### Guidelines to prevent misuse of price-sensitive market info

The Reserve Bank of India (RBI) came out with guidelines to prevent misuse of price-sensitive information by participants in markets for financial instruments. Market participants, either acting independently or in collusion, shall not undertake any action with the intention to manipulate the calculation of a benchmark rate or a reference rate. No market participant would carry out a transaction or initiate any action with the sole or dominant intention of influencing a benchmark rate or a reference rate.

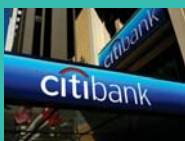


### Ex-Finance Secretary Hasmukh Adhia appointed non-executive chairman of Bank of Baroda

Former Finance Secretary Hasmukh Adhia was appointed as non-executive chairman of Bank of Baroda, according to a Personnel Ministry order. The Appointments Committee of the Cabinet has approved his appointment as part-time non-official director as well as non-executive chairman on the board of Bank of Baroda for a period of three years.

### Ashu Khullar to succeed Pramit Jhaveri as Citibank India head from April 1

Citibank has named Ashu Khullar, currently head of Asia-Pacific capital markets origination, as its India head with effective from April 1. The bank said the appointment is subject to RBI approval. Khullar succeeds Pramit Jhaveri, who will become the vice-chairman of banking, capital markets and advisory for Asia Pacific from April 1. Both will report to Francisco Aristeguieta, CEO of Citigroup Asia Pacific.



## PERSON-IN-NEWS

### M R Kumar appointed LIC chairman, to hold the post for five years

M R Kumar was appointed the Chairman of Life Insurance Corporation of India (LIC), according to a Personnel Ministry order. T C Suseel Kumar and Vipin Anand have been appointed as Managing Directors of the LIC for five years.



### Niti Aayog CEO Amitabh Kant to head transformative mobility mission

Niti Aayog CEO Amitabh Kant will head the National Mission on Transformative Mobility and Battery Storage, which is being set up to promote clean and sustainable mobility initiatives in the country. The Union Cabinet had approved setting up of the National Mission on Transformative Mobility and Battery Storage.

### Ravneet Gill takes charge as new Yes Bank head, succeeds Rana Kapoor

Yes Bank said Ravneet Gill has taken charge as its MD and CEO with immediate effect for a tenure of three years. His tenure as approved by RBI is 3 years from the date of his joining, i.e. March 1, 2019 to February 28, 2022, Yes Bank said in a regulatory filing. The appointment of Gill, will be subject to approval of shareholders' at the ensuing annual general meeting of the Bank to be held in June, 2019.

### Naresh Goyal quits Jet board, lenders take over cash-strapped airline

Jet Airways Ltd Chairman Naresh Goyal and his wife Anita Goyal have quit the board of the cash-strapped airline, the airline as it closes in on a rescue deal led by state-run banks. The banks, led by State Bank of India (SBI), will convert their debt into equity and take a controlling stake in the airline for a token sum of 1 rupee (\$0.0145). The lenders will constitute an interim committee to manage the airline. The government has asked state-run banks, led by SBI, to rescue Jet without pushing it into bankruptcy, seeking to avert thousands of job losses weeks before a general election.

## INTERNATIONAL

### Jubilant FoodWorks enters Bangladesh market through JV with local partner

Jubilant FoodWorks Limited (JFL) which owns Domino's Pizza chain in India, announced that it entered Bangladesh through a joint venture with a local partner. A joint venture company Jubilant Golden Harvest Limited is formed between JFL and Golden Harvest QSR Limited, a part of Bangladesh based Golden Harvest Group, to set up stores in Bangladesh. For Jubilant, this is the second overseas market in the neighbouring country after Sri Lanka. Jubilant & its subsidiary have the exclusive rights to develop and operate Domino's Pizza brand in India, Sri Lanka, Bangladesh and Nepal.

### Mechanics Bank to buy Dutch lender Rabobank Group's US business for \$2.1 billion

Mechanics Bank agreed to buy much of Dutch lender Rabobank Group's US operations for about \$2.1 billion, bringing together two California lenders and extending the combined company's reach throughout much of the state. Mechanics, based in Walnut Creek, California, is gaining Rabobank's US retail, business-banking, commercial real estate, mortgage and wealth-management businesses.



### Germany's Deutsche Bank and Commerzbank enter into formal merger talks

Deutsche Bank and Commerzbank confirmed that they were in talks about a merger, prompting labour union concerns about possible job losses and questions from analysts about the merits of a combination. Germany's two largest banks issued short statements following separate meetings of their management boards as well as indicating a quickening of pace in the merger process, although both also warned that a deal was far from certain.

### Abu Dhabi aims to lure start-ups with investment in new technology hub

Abu Dhabi will commit up to 1 billion dirhams (\$272 million) to support technology start-ups, in a dedicated hub as part of efforts to diversify its economy. The emirate launched a 50 billion dirham (\$13.6 billion) stimulus fund, Ghadan 21, in September last year to accelerate economic growth. Ghadan means tomorrow in Arabic. The new initiative, named Hub 71, is linked to Ghadan will also involve the launch of a 500 million dirham fund to invest in start-ups.

## MERGERS AND ACQUISITIONS

### Cognizant acquires Ireland-based financial software firm Meritsoft

US-based IT major Cognizant has announced an acquisition of Meritsoft, a privately held financial software company based in Dublin, Ireland, to expand its software-as-a-service platforms.

### Zoho Corp acquires hiring automation product start-up ePoise Systems

Software products firm Zoho Corp has announced its first acquisition after buying Bengaluru-based hiring automation product start-up ePoise Systems for an undisclosed amount. According to 2015 reports, ePoise had raised half-a-million dollar from Oris Venture Partners and a few angel investors. Zoho, with a suite of SaaS applications and online productivity tools, has over 40 business applications in areas of customer relationship management, human resources, finance, office productivity and customer service, with more than 45 million users worldwide.

## REGULATORY

### New GST return forms released; compliance process simplified from April 1

The goods and services tax (GST) network released the revised return forms which businesses would need to comply with from this year. The new forms would be operated on a pilot basis from April 1, 2019, and would be mandated across the country from July, according to the decisions of the GST Council. The new and revised return format would obviate the need to furnish returns under the family of GSTR-1, GSTR-2 and GSTR-3, but the annual return GSTR-9 might continue. The GST Council had suspended GSTR-2, a purchase return, and GSTR-3, input-output return, because of the complex form structure.

### SEBI revises disclosure requirements for significant beneficial ownership

Regulator SEBI has revised the disclosure requirements for significant beneficial ownership for various listed entities. The move comes weeks after the corporate affairs ministry amended the rules pertaining to significant beneficial ownership under the Companies Act, 2013. In December 2018, SEBI issued a circular wherein entities were asked to make disclosures about significant beneficial owners in a prescribed format. According to the regulator, the circular is being modified following the amendment of Companies (Significant Beneficial Owners) Rules by the ministry last month. A revised format for reporting companies to disclose details such as name, PAN and nationality of the significant beneficial owner as well as registered owner, among others, would be put in place by SEBI.

### SEBI tightens norms for liquid MFs, takeover regulations of firms under IBC

The Securities and Exchange Board of India (SEBI) tightened the valuation methodology for liquid mutual funds (MFs) and did away with the open offer exemption given to those seeking to acquire assets undergoing insolvency resolution. To make sure liquid schemes reflect the underlying portfolio risks, SEBI has said all debt papers with maturity of 30 days or more to be marked to market. Earlier, fund houses didn't have to do so for securities that had less than 60-day maturity.



### SEBI open offer norms to safeguard interest of minority shareholders

SEBI has discontinued automatic exemption in respect of persons other than lenders, from making open offer for acquisitions under debt restructuring schemes has been taken in a bid to protect the interest of minority shareholders, say regulatory sources. While relevant exemptions including open offer obligations are already available under the SEBI Regulations for acquisitions pursuant to a resolution plan approved under Insolvency and Bankruptcy Code (IBC), hence the withdrawal of exemptions are in relation to pre-IBC resolution where the "resolution may be dominated by lenders and strategic investors to the detriment of minority shareholders," and thus it is important to safeguard their interest.