

# FinMin giving final touches to recap bonds, FM nod likely soon

**NEW DELHI, NOV 29 /-/-** The finance ministry is in the process of fixing the nuts and bolts of the Rs 1.35 lakh crore recapitalisation bonds for public banks and the framework is expected to get nod from the finance minister in the next few days, said official sources.

The Department of Financial Services, in consultation with the Reserve Bank of India, has submitted proposals to the Department of Economic Affairs, which is working on the final structure, a government official said, adding that the final structure will be known in



the next few days after approval from the finance minister. The framework once cleared will go to Parliament for necessary approvals, an

other official said. The upcoming winter session of Parliament will begin on December 15 and continue till January 5.

Last month, Finance Minister Arun Jaitley had announced an unprecedented Rs 2.11 lakh crore two-year road map to strengthen public sector banks (PSBs). The plan included re-capitalisation bonds of Rs 1.35 lakh crore. The finance minister had said multiple options for recapitalisation bonds were on the government table, are being examined and the best ones would be explored. Once the structure is in

place, the government will frontload bond issuance, and a preliminary assessment indicates that it could be between Rs 70,000-80,000 crore, the official added.

The funding is expected to help strengthen financials of NPA-hit banks. Non-performing assets (NPAs) of public sector banks alone have increased to Rs 7.33 lakh crore as of June 2017, from Rs 2.75 lakh crore in March 2015. Besides recapitalisation bonds, the finance minister had announced that banks would get about Rs 18,000 crore under the Indradhanush plan over the

next two years.

Under the Indradhanush road map announced in 2015, the government had announced infusion of Rs 70,000 crore in state-owned banks over four years while they will have to raise a further Rs 1.1 lakh crore from the market to meet their capital requirement in line with global risk norms, known as Base-III.

In the last three-and-a-half years, the government pumped in Rs 51,858 crore capital in the PSBs. The remaining Rs 18,142 crore will be injected into the banks over two years. (PTI)



Vikas Agarwal, GM, OnePlus India launching 'OnePlus 5T' smart phone in Jaipur.

## NTPC looks to buy stressed commissioned plants

**NEW DELHI, NOV 29 /-/-** State-run power giant NTPC has floated a tender to acquire commissioned stressed coal-based power plants in the country.

At present, out of the 40 GW stressed coal-based power generation capacity, about 12 GW capacity worth around Rs 50,000 crore commissioned after April 1, 2014 and is eligible under this tender. According to the tender document, the company will shortlist the suitable operational domestic coal-based power assets located in India for possible acquisition after evaluating the offered projects. Each plant size should be at least 500 MW according to the document. "Thus it will be a critical and supercritical power plants. It says that any promoter or lender, authorised financial intermediaries of the power generation companies, independent power producers/developers are eligible for offering their operational domestic coal-based power assets lo-

located in India. All power plants which have commercial date of operation (COD) on April 1, 2014 onwards, are eligible under for acquisition by NTPC. These plants must be designed for operating on 100 per cent domestic coal for the rated capacity. It also provides that plant must have availability of coal for 85 per cent plant load factor or capacity utilisation. The original equipment manufacturer's original equipment supplier shall have indigenous manufacturing facilities for each boiler and turbine generator of the station, it said. NTPC has an installed capacity of 51,708 MW comprising of 28 coal based, 8 gas/liquid fuel based and 13 renewable energy (Solar PV and Wind)/ Hydro power projects. It has massive ongoing capacity addition plans with around 20,000 MW projects under construction. The company is also contemplating increasing its generation assets by means of possible acquisition of coal-based power assets located in India. (PTI)

## Mittal believes TRAI will have another round of talks on OTT issue

**HYDERABAD, NOV 29 /-/-** Bharti Airtel chairman Sunil Mittal on Tuesday said he was not aware of the Telecom Regulatory Authority of India's (TRAI) recommendations on bringing app-based calling and messaging services under the licensing regime, but believed that it would have another round of consultation on the matter.

"Our request was that the OTT players in the telecom arena should have the same rules of the game. I don't know what are the recommendations that the TRAI will come up with another consultation on the OTT side. We will see how they develop...," he told television channel ET Now on the sidelines of the Global Entrepreneurship Summit (GES) here.

The statement comes in the wake of the TRAI's recommendation on prohibiting the Internet service providers from making any discrimination in traffic while providing web access by ei-

ther blocking or throttling some apps, websites and services or by offering fast lanes to others.

The telecom operators have been demanding that app-based calling and messaging services should be brought under the licensing regime.

However, the Internet firms have been opposing such move as it would stifle innovation, affordable or almost free messaging services and adversely impact people using the Internet.

"The OTT and telecom players must have a level playing field," Mittal said. The telecom operators had complained to the government and TRAI that Internet-based calling and messaging services were causing a dent in their revenues by providing the same services as there was no need for them to follow the rules and regulations applicable to the mobile services firms.

Speaking to PTI at an event at Barcelona earlier this year, Mittal had said that the telecom operators were unable to match the rates of the OTT players due to high capital expenditure. Asked if the telecom companies would be burdened once these recommendations were legislated, Mittal replied in the negative by saying, "They (companies) are there to provide internet services to all. So, where is the question of burden, I do not get the question here. What does it mean? We are providing internet services to all. Even today, you buy a pack and use the internet, so what is the issue?"

Replying to a query, Mittal said it was a false propaganda that the telecom companies would follow discriminatory practices as regards internet services. "It is a false propaganda that the telecom companies will be the gatekeepers, there will be discrimination, they will give preference to one over the other. All of this nonsense and these are being spread by people who are either illiterate or trying to change the narrative," he said. (PTI)

## GST will become good and simple tax in a few months: Minister

**KOLKATA, NOV 29 /-/-** Minister of State for Finance Shiv Pratap Shukla Wednesday asserted that GST will become a "good and simple tax" in the matter of few months, as issues regarding the new tax regime have been addressed by the government.

Addressing the 116th annual session of the Merchants' Chamber of Commerce and Industry here, Shukla said by March, the GST will be simple enough for everyone to comprehend. "It will be so simple that even children will be able to understand," he said.

"Even in a country like Singapore, it took four years for GST to get stabilised. I am proud that our government has responded to the issues so quickly. Post the Guwahati meet, tax rates on many products were reduced to 18 per cent from 28 per cent, which was rejected by businesses," Shukla said.



Among other things simplified in the Goods and Services Tax, he said even monthly returns had been changed to quarterly returns to ease filing. To a question, the minister said the micro, small and medium enterprises sector continues to be the focus of the Central government. On capital infusion in banks, Shukla said recapitalisation from the government cannot be treated as a regular practice. (PTI)

## Analysts forecast better Q2 show with a GDP print of 6.4%

**MUMBAI, NOV 29 /-/-** Analysts are expecting a higher datapoint for the September quarter GDP that will be announced tomorrow, with some of them pegging it at 6.4 per cent, after the disappointing performance in the preceding quarter.

"The first quarter growth at 5.7 per cent—a three-year low—did cause a lot of heartburn, but we strongly believe that Q2 growth is likely to trend higher and might be in at 6.3-6.4 per cent (gross value added at 1.4-1.6 per cent) with a downward bias," economists at SBI said in a note today.

Their optimism comes from the improving macro-economic indicators across sectors, especially those affected by the note-ban that had dragged down the June quarter numbers.

Growth had slid to a three-year low of 5.7 per cent for the three months to June on the spillover effects of the note ban and the GST implementation.

Economists with Singaporean brokerage DBS also expect the headline growth to accelerate to 6.4 per cent for the second quarter, but cut its forecast for the full year 2018 to 6.6 per cent largely

on the dismal first quarter. British brokerage HSBC had on Tuesday forecast a 6.3 per cent print on a gross value added (GVA) basis on a jump in industrial growth.

Blaming the dismal Q1 slowdown due to poor consumption demand, contraction in manufacturing due to GST disruption and declining mining activity, SBI economists said recent macroeconomic indicators point to an overall recovery.

It pointed out the 10-month high manufacturing output in September at 3.4 per cent, mining at a five-month high of 9.4 per cent and electricity production grew 7.9 per cent.

It also used the earnings data from over 2,700 corporates to paint an optimistic picture and specifically mentioned the air transport sector where companies have posted a 28 per cent rise in revenues.

It can be noted that the slowdown in the growth activity had led a concerned government to declare that it is looking at multiple ways of upping the activity, including through a growth stimulus. (PTI)

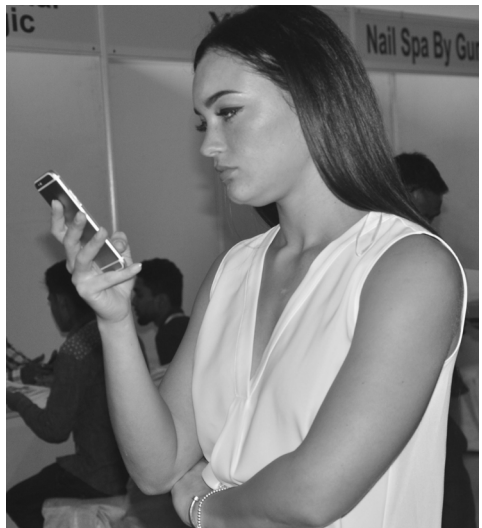
### Snippets

#### L&T consortium wins project in B'desh

**NEW DELHI, NOV 29 /-/-** Infrastructure major Larsen & Toubro (L&T) Wednesday said a consortium formed by it and Samsung C&T Corporation has bagged USD 250 million power plant contract in Bangladesh. Bangladesh Power Development Board (BPDB) has awarded the contract for setting up Bihyan South 400 MW Combined Cycle Power Plant Project to a consortium of Larsen & Toubro (L&T) and Samsung C&T Corporation of South Korea, the engineering firm said in a statement. L&T will execute the EPC (engineering, procurement and construction) contract valued at approximately USD 250 million.

#### Jet Airways, Air France-KLM extend code-share

**MUMBAI, NOV 29 /-/-** India's Jet Airways and Air France-KLM Wednesday announced enhanced cooperation, widening their existing code-share agreement to expand their operations between Europe and India. The agreement will see Jet Airways, India's second largest airline by revenue, and Air France-KLM working together to develop their commercial and product offerings. "This agreement strengthens the partnership built between these airlines since 2014 and expanded in 2016 with an extensive code-share agreement for connections between Europe and North America and Jet Airways hubs in Mumbai and New Delhi via Air France-KLM's hubs in Charles de Gaulle airport of Paris and Amsterdam-Schiphol," the carriers said. (PTI)



A foreign delegate at the Job Mela of Beauty and Wellness Sector Skill Council, in Guwahati.

## Moody's upbeat on steel sector, says Tata Steel to benefit most

**MUMBAI, NOV 29 /-/-** Robust domestic demand and protectionist measures by the government will help the domestic steel industry going forward and earnings of major players like Tata Steel will increase significantly due to newly added capacity, says a report.

"Among the major steel producing Asian countries, operating conditions will be the most supportive in India, because of the robust domestic demand and protectionist measures. This is despite an increase in raw material prices and new capacity additions," international rating agency Moody's said today in its Asia Steel Outlook 2018 report.

The agency said the earnings of Tata Steel will increase significantly due to newly added capacity, and the same will remain steady for JSW Steel.

Moody's has given a stable outlook with Baa1 rating for both Tata Steel and JSW steel.

"The likely stable profitability for Asian steelmakers is underpinned by the removal of excess production capacity in China and broadly steady demand in Asia as a whole," Moody's senior vice-president Kai Hsu said. "Overall Asian steel demand will remain stable, with robust demand growth in South and Southeast Asia, and flat in China as it sees Chinese capacity to continue to decline, due to its government's supply-side reforms and environmental protection measures, the factors which will reduce the supply glut in Asia," Hsu said.

China drives the outlook for steel companies in Asia because the country represents the region's largest steel consumer as well as producer. (PTI)

## Goa gets Rs 68cr from Centre to meet revenue shortfall

**PANAJI, NOV 29 /-/-** The Centre has compensated Goa to the tune of Rs 68 crore towards shortfall in revenue collection in July and August this year post roll-out of the Goods and Services Tax (GST), a senior official said.

The GST collection in July and August compared to the Value-Added Tax (VAT) collected during the corresponding months last time had fallen short by Rs 68 crore which has been compensated by the Union government, said the official of the Commercial Tax Department.

As per figures available with the department, till October this year, the state GST collection has been Rs 797 crore. The new tax regime was rolled out on July 1.

Meanwhile, the department has started a drive across the state to check whether restaurants have slashed GST on food bills after the Centre cut the levy to 5 per cent (for both AC and non-ACs hotels).

Earlier, 12 per cent GST on food bill was levied in non-AC restaurants and 18 per

cent in AC ones.

State Commissioner for Commercial Taxes Dipak Bandekar said restaurants caught profiteering will face action under provisions laid down by the National Anti-profiteering Authority.

He said, "The authority has been constituted to ensure businesses pass on the benefits of GST to consumers." Bandekar said the drive was initiated after receiving complaints from consumers that despite reduction in the rate, the GST on food bills remains the same. (PTI)

## Policies must back women's participation in workforce: Ivanka

**HYDERABAD, NOV 29 /-/-** Ivanka Trump, the eldest daughter of and advisor to US President Donald Trump, today batted for formulation of policies that support greater participation of women in workforce.

She even referred to technology that can be used to allow women to work from kitchens and help reduce the gender gap. "I think it's incredibly important that policies support modern families... We need to start thinking about ways to support the modern workforce and the modern reality in household."



driver," she said. She was speaking at a session on innovation in workforce develop-

ment on the second day of the Global Entrepreneurship Summit (GES) here. Ivanka

suggested that policymakers need to devise ways to support the "modern workforce and the modern reality in household." "Technology is reducing barriers to starting businesses, it's creating flexibility... Technology offers tremendous opportunities to women and women entrepreneurs," she pointed out.

Stating that there is a need to focus on training and workforce development, Ivanka said it is necessary to align what is being taught in the classroom with economic reality. Ivanka, 36, a businesswoman and a fashion designer too, said efforts should

be made to get more women into male dominated professions to create an equitable balance in workforce.

"I am incredibly fearful that when we look at where future work is going, if women continue to represent only 13 per cent of engineers in the United States or continue to represent only 24 per cent of computer science professionals, the gender wage gap is actually going to grow in years to come. "It is something we need to address, it is something that really is a focus in the US is very very focussed on," she stressed. (PTI)

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