

2.25l cos get govt's notice: Shell firms' scrutiny might reveal 'something' big, says minister

NEW DELHI, JUNE 17 /- / Sending out a strong message to the corporates, Union Minister P P Chaudhary has said autonomy of companies cannot be at the cost of investor interests and indicated that scrutiny of shell firms could unearth "something" about political parties as well as individuals.

The Minister of State for Corporate Affairs asserted that the government wants transparency in the functioning of companies and ensure that they are not misused as conduits for money laundering and other illegal activities. Intensifying its efforts to curb illicit fund flows, the corporate affairs ministry has served notices to around 2.25 lakh companies that have not been filing annual business activities for long and depending on their responses, a final decision on derecognition would be taken. The latest exercise comes after the ministry struck off the names of 2.26 lakh companies from official records for being inactive and not making statutory filings for a long time. Against this backdrop, Chaudhary said scrutiny of the struck-off companies is going on to understand their financial tracks and how many other entities were linked to them. "I



am sure, personally I feel that something will come out once we scrutinise (struck off) companies. It may be (about) political parties, it may be (about) individuals... but certainly it will be (about) those who have led the nation for a longer time," he told PTI in an interview. Amid concerns in certain quarters that the crackdown on illicit fund flows could also be impacting the autonomous functioning of companies, he said the norms are to ensure transparency and not create impediments for the functioning of corporates. "Autonomy should be maintained but not at the cost of investor interests... We are compelling companies to disclose their true status," he noted. Blaming the previous UPA regime for allowing shell companies to continue, the minister

said the ills are of so many years and that the government is only bringing them out now. "There was no question of allowing them (shell companies) to continue because under the old Act and the new Act, the provisions were there with respect to non-compliance. It was not used and it shows that the UPA government and the Congress allowed such companies to flourish. It shows that unscrupulous people also served their interest," Chaudhary said. Companies Act, 1956 has been replaced with Companies Act, 2013. Most provisions of the new law came into force from April 1, 2014. About the present round of clamping down on inactive companies, the minister said a "deregister them or not" would be taken by next month after taking into account the responses to the notices. "Approximately, 2.25,000 companies have been identified in the first round of drive for defaults like non-filing of financial statements for two financial years and not seeking dormant status in case they are not doing any business for some time. Notices have been issued to such companies to ascertain their true status," he noted. (PTI)

Niti Aayog meet: Modi says important steps will be taken for economy's double digit growth

PM said CMs had played a key role in policy formulation on issues such as Swachh Bharat Mission, digital transactions & skill development



Prime Minister Narendra Modi chairing the fourth meeting of the Governing Council of NITI Aayog, in New Delhi. --PIB

NEW DELHI, JUNE 17 /- / Prime Minister Narendra Modi Sunday said the government is to take the economic growth rate to double digits, for which many important steps would have to be taken. In his opening remarks at the fourth meeting of the NITI Aayog Governing Council, the prime minister also assured the chief ministers of flood-affected states of providing all

central assistance to deal with the situation. Observing that the Indian economy has grown at a healthy rate of 7.7 per cent in the fourth quarter of 2017-18, Modi said the challenge now is to take this growth rate to double digits, which requires more important measures. The conference among other things would deliberate on issues like doubling of farmers' income, development of aspirational districts, Ayushman Bharat, Mission Indradhanush, Nutrition Mission and celebrations of the 150th birth anniversary of Mahatma Gandhi.

These steps, Modi said, were essential to achieve the vision of New India by 2020. The prime minister said the Governing Council was a platform that could bring about "historic change" in the development of the country. He assured the chief ministers from

flood-affected states that the Union government would provide all assistance to them to deal with the flood situations. Modi further said the council has approached complex issues of governance as "Team India", in the spirit of cooperative, competitive federalism. The prime minister said chief ministers of states had played a key role in policy formulation, through sub-groups and committees

on issues such as Swachh Bharat Mission, Digital Transactions and Skill Development. The recommendations of these sub-groups have been incorporated by various ministries of the Union government, he added. The prime minister said that 1.5 lakh health and wellness centres are being constructed under the Ayushman Bharat programme. He said about 10 crore farmers will be provided with health insurance worth Rs 5 lakh every year. A comprehensive approach was being adopted for education, under the Samagra Shiksha Abhiyan, Modi added. Observing that schemes such as Mudra Yojana, Jan Dhan Yojana and Stand Up India were helping in greater financial inclusion, the prime minister said it was imperative to tackle economic imbalances on priority. He said that all aspects and parameters of human development need to be addressed and improved upon in the 15 aspirational districts. The Gram Swaraj Abhiyan has emerged as a new model for implementation of schemes, he said, adding that it has been extended to 45,000 villages in the aspirational districts. (PTI)

Lupin expects single digit sales growth this fiscal

NEW DELHI, JUNE 17 /- / Drug maker Lupin expects single digit sales growth this fiscal with slumped US business likely to impact overall global business of the company. The Mumbai-based company, however, is anticipating double digit growth in Latin America, South Africa and India.

"We expect to grow at a single digit growth rate for the current year and then expect to get back on a stronger growth path next year," Lupin Managing Director Nitesh Gupta told PTI. While the company has pressures in the US, it expects to see good growth in most emerging markets, he added. "Latin America will grow around mid-to-late 20s in percentage terms, South Africa around 20 per cent and India around 15 per cent," Gupta said. The drugmaker reported sales growth in 2017-18 for the first time in a decade, with sales dropping to Rs 5,560 crore, a decline of 9 per cent from Rs 6,092 crore, following for 38 per cent of its total global sales. On the other hand, India sales increased by 10.7 per cent to Rs 2,253 crore. Similarly, Latin America business grew by 28.1 per cent, Europe, Middle-East and Africa (EMEA) by 11.2 per cent, Asia Pacific by 13.5 per cent. The drugmaker had also reported a growth of 1.6 per cent in its active pharmaceuticals business (APB) business in last fiscal.

Every Re 1 cut in excise duty on fuel to cost govt Rs 130b, says Moody's

NEW DELHI, JUNE 17 /- / Rating agency Moody's has sounded a note of caution that any reduction in excise duty on petrol and diesel would adversely affect high debt burden. For example, India's general government debt-to-GDP ratio is nearly 70 per cent, relative to the 'Baa' peer group median of about 50 per cent. "Moving towards a sovereign credit profile, the government's commitment to fiscal consolidation will be a very important contributor to the strengthening of India's fiscal dynamics and overall sovereign credit profile," Foster said. The government plans to bring down the fiscal deficit - the gap between total expenditure and total revenue - during 2018-19 to 3.5 per cent of the gross domestic product (GDP), from 3.53 per cent in last fiscal. Asked about the 0.25 per cent hike in interest rate by the RBI after a gap of over four years, Foster said from a sovereign rating perspective it would help in containing inflation and ensuring more sustainable growth.

The MPC's recent monetary policy decision is in line with the RBI's inflation targeting objectives, which supports the credibility of Indian monetary policymaking and contributes to a more sustainable growth dynamic by focusing on the anchoring of inflation expectations," he said.

Ready to replace bio-toilets with airplane-like toilets: Goyal

NEW DELHI, JUNE 17 /- / After installing bio-toilets in almost all the train coaches, the Indian Railways is now mulling to replace them with "upgraded" vacuum bio-toilets, Railway Minister Piyush Goyal has said. In an interview to PTI, the minister said that to compete with the airlines, replacing the bio-toilets with the latest version was one of the plans the national transporter had for upgrading its amenities. "We have started experimenting with vacuum bio-toilets like those in an aeroplane. Some 500 vacuum bio-toilets have been ordered and once the experiment is successful, I am willing to spend money to replace all the 2.5 lakh toilets in the trains with vacuum bio-toilets," Goyal said. As of May 31, 1,38,963 bio-toilets have been fitted in 37,411 coaches, at a cost of around Rs 1 lakh per toilet, according to railway ministry officials. There is a plan to install bio-toilets in around 18,750 more coaches by March 2019, when all the coaches of the Indian Railways will be fitted with such toilets, costing the national transporter around Rs 250 crore. "By March 2019, we will be 100 per cent bio-toilets, which in itself is a big achievement. The tracks will be cleaner, the smell will go away and rail renewal will be reduced," Goyal said. The vacuum toilets, which cost around Rs 2.5 lakh per unit, will be odour-free, will cut down water usage by 1/20th and have much lesser chances of getting blocked, he added.

Mallya faces fresh money laundering chargesheet, fugitive tag

NEW DELHI, JUNE 17 /- / In more trouble for liquor baron Vijay Mallya, the Enforcement Directorate (ED) is set to soon file a fresh charge sheet against him and his companies on charges of money laundering and allegedly cheating a consortium of nationalised banks to the tune of Rs 6,027 crore, officials said on Sunday. With this charge sheet (also known as the prosecution complaint), official sources told PTI, the central probe agency will immediately seek from a court permission to "confiscate" more than Rs 9,000 crore worth assets of the beleaguered businessman and his firms under the recently promulgated Fugitive Economic Offenders Ordinance. The ED last year had filed its first charge sheet against Mallya, now in London, in the about Rs 900 crore IDBI bank-Kingfisher Airlines (KFA) alleged bank loan fraud case. It has attached assets worth Rs

9,890 crore in this case till now. The forthcoming charge sheet will revolve around the complaint received from the State Bank of India (SBI) on behalf of the consortium of banks for causing loss of Rs 6,027 crore to them by not keeping repayment commitments of his loan (by Mallya firms) taken during 2005-10, they said. The ED has based its investigation in this instance after taking cognisance of a CBI FIR and the charge sheet will be filed before a special court in Mumbai under the Prevention of Money Laundering Act (PMLA). It was alleged that there was a conspiracy among group companies promoter and unknown others to cheat the lenders, the CBI had said. The ED, officials said, had found that a maze of shell or dummy firms were used to allegedly siphon off these funds and this is expected to be stated in the upcoming charge sheet. The agency, empowered by the Union government to enact the new fugitive ordinance in the country, will seek an official declaration to categorise Mallya as a "fugitive" on the basis of the cognisance of this prosecution complaint (chargesheet).

consortium banks regular which became NPA (non performing asset), the CBI FIR had stated. The consortium banks, therefore, recalled credit facilities and also invoked corporate guarantee of UBIL (united breweries holdings limited) and personal guarantee of Mallya, it had alleged. It was alleged that there was a conspiracy among group companies promoter and unknown others to cheat the lenders, the CBI had said. The ED, officials said, had found that a maze of shell or dummy firms were used to allegedly siphon off these funds and this is expected to be stated in the upcoming charge sheet. The agency, empowered by the Union government to enact the new fugitive ordinance in the country, will seek an official declaration to categorise Mallya as a "fugitive" on the basis of the cognisance of this prosecution complaint (chargesheet).

News In Brief

Gujarat Borosil to invest Rs 435 cr
BHARUCH (GUJARAT), JUNE 17 /- / Solar glass manufacturer Gujarat Borosil plans to invest around Rs 435 crore to more than double its manufacturing capacity of tempered solar glass facility by fiscal 2020. The company, which has a facility in Bharuch in Gujarat, currently manufactures 180 tonne per day of 2 mm tempered solar glass, which is used on existing glass modules to improve efficiency.

Gulf Air's non-stop Bahrain-Kozhikode service
KOZHIKODE, JUNE 17 /- / Gulf Air Saturday launched its daily non-stop service to Bahrain from here. The inaugural flight was flagged off by director of Calicut International Airport K Srinivasa Rai, a press release here said. The flight would arrive here at 4.30 am and leave at 5.30 am, it said. Kozhikode is the eighth destination for the airlines in the country and the third airport under the Airports Authority of India after Chennai and Thiruvananthapuram, the release said. (PTI)

Infosys plans to expand Pune campus to 35k seats

HYDERABAD, JUNE 17 /- / Infosys Limited is in the process of expanding its Pune campus by nearly 4,000 seats to 35,000 and the IT bellwether sought necessary environmental clearances from the Ministry of Environment. An expert appraisal committee (EAC) under the Ministry in a meeting held last month accorded Environmental Clearance for the Rs 690 crore expansion plan for its Rajiv Gandhi Infotech Park Phase II campus. The EAC, on being satisfied with the submissions of the project proponent, recommended the project for grant of environmental clearance and stipulated the following specific conditions along with other environmental conditions while considering for accord of environmental clearance. "There will be an increase in number of employees in the campus. The existing IT professionals are 9128, and for proposed expansion, it will be additional 3712, so the total IT professionals at Infosys campus will be 35,000 after expansion," the Committee had mentioned in the minutes of the meeting held earlier. When contacted Infosys spokesmen refused to comment on the expansion saying they were in "silent period." A minimum of one tree for every 80 sqm of land should be planted and maintained that the existing trees will be counted for this purpose, the EAC asked the company while granting the EC. The EAC also put up a condition that Rs 3.45 Crore shall be earmarked under Corporate Environment Responsibility (CER) for the activities such as Skill and Economic Development activities like construction of schools, Health and Medical facilities, Drainage and sanitation facilities.

New Auto Policy likely to be finalised in 3 months

NEW DELHI, JUNE 17 /- / The new National Auto Policy, which may seek emission-linked taxation for automobiles and a technology agnostic green mobility roadmap, is likely to be finalised in the next three months, according to official sources. Discussions with various stakeholders have been on for the past six months to frame the new policy which envisages having a single nodal regulatory body for the automobile industry, office in the Heavy Industry Ministry said. A draft Cabinet note on the policy is being prepared and will be circulated shortly among departments concerned, they disclosed. "There has also been a discussion on strengthening the FAME India (Faster Adoption and Manufacturing of Electric & Hybrid Vehicles) scheme further for the faster adoption of eco-friendly automobile technologies," sources said. Inter-ministerial discussion, it has been suggested to have a comprehensive long-term plan with definite time-lines under the new auto policy, the source added. The draft of the policy released earlier had recommended rationalization of the GST structure for currently used vehicles based on length, engine displacement, engine type and ground clearance. It had called for replacing the current classification criteria with a composite criteria based on vehicle length and CO2 emissions. The draft policy

had recommended that vehicle length-based classification will target reduction in vehicular congestion and CO2 emissions based classification will align with the overall vision of green mobility and reduction in Green House Gas (GHG) emissions. The new policy is expected to deliver a 20 per cent reduction in CO2 emissions with the objective of neutralizing impact on GST revenue. The draft policy had also recommended finalisation of technology agnostic green mobility road-map through evolution of emission regulations, besides defining the long-term road-map for incentives and infrastructure investments for green mobility. The new policy is also likely to address the concern of the industry over harmonisation of standards for auto components used by original equipment manufacturers and those in the after-market by bringing them under a common system. It is expected to address the issue of logistics challenges faced by the industry while also finding ways and means to enhance Indian content in the export of auto components, while the auto industry was apprehensive of most of the measures mooted in the policy, manufacturers were apprehensive of defining emission targets under the long-term plan, considering how technology can evolve over a period of time. (PTI)



Vivo launches new smart phone 'VIVO X21' at a press conference, in New Delhi