

SC squashes AGR review plea

OUR SPECIAL CORRESPONDENT

New Delhi: The Supreme Court on Thursday dismissed the petitions of Bharti Airtel and Vodafone Idea seeking a review of certain directions passed in its judgment on October 24 favouring the government on the recovery of telecom dues worth Rs 1.47 lakh crore. The operators will have to now pay up their dues by January 23.

Bharti Airtel and Vodafone Idea are the worst affected by the squashing of the review petition, and both the operators have said they would explore the possibility of a curative petition.

A bench comprising Justices Arun Mishra, S.A. Nazeer and M.R. Shah in an in-chamber hearing did not find merit in the review plea and dismissed it. In an in-chamber hearing, the judges first take a call on whether the review pleas need to be heard at all and if so whether in an open court or not.

“Applications for hearing in open court/oral hearing are rejected. Having

WHO OWES WHAT	
AGR dues (in Rs crore)	
Vodafone Idea	53,039
Airtel	35,586
Tata Teleservices	13,823
GAIL	1.72*
Power Grid	22,168
GNFC	15,019
RailTel Corp	290
* in Rs lakh crore	
■ Total dues of telcos: Rs 1.47 lakh cr	
■ Total dues of non-telcos: Rs 3 lakh cr	

perused the review petitions and the connected papers with meticulous care, we do not find any justifiable reason to entertain the review petitions. The review petitions are, accordingly, dismissed,” the bench said.

Vodafone Idea and Airtel face statuto-

ry dues of Rs 53,039 crore and Rs 35,586 crore respectively. Tata Teleservices, which has sold its consumer mobility business to Airtel, faces dues of Rs 13,823 crore. Including the three, some 15 operators need to pay over Rs 1.47 lakh crore.

“While respecting the Supreme Court’s decision, we would like to express our disappointment as we believe the long standing disputes raised regarding the AGR definition were bonafide and genuine. The industry continues to face severe financial stress and the outcome could further erode the viability of the sector as a whole,” a Bharti Airtel spokesperson said.

“We wish to inform you that Hon’ble Supreme Court, has dismissed the review petition filed by the company and other telecom operators. The company is exploring further options, including filing of a curative petition,” Vodafone Idea said in a stock exchange filing.

The telecom department has also sought about Rs 3 lakh crore from non-telecom companies such as GAIL.

Banks stare at fresh stress

OUR SPECIAL CORRESPONDENT

Mumbai: The banking sector may feel the heat of the Supreme Court dismissing the review petition filed by telecom companies.

The lenders could face some stress in their exposure to the sector, estimated at over Rs one lakh crore. This comes at a time there has been some relief on the NPA front.

Recently, the Reserve Bank of India (RBI) disclosed in a report that after rising for seven consecutive years, the gross non performing asset (GNPA) ratio of all commercial banks declined in 2018-19 to 9.1 per cent from 11.2 per cent in the preceding year.

The gross NPAs of PSU banks improved to 11.6 per cent during the year from 14.6 per cent in the last fiscal. In absolute terms, it reduced to Rs 7,39,541 crore against Rs 8,95,601 crore in 2017-18.

While bankers are monitoring the situation after the apex court ruling, the main concern is with regard to the exposure to Vodafone Idea.

It is estimated that lenders that include the State Bank of India, IndusInd Bank, Punjab National Bank, Bank of Baroda and ICICI Bank have an exposure of around Rs 17,000 crore to Vodafone Idea.

“I think in the next 3-4 years it will be phygital

Future Group founder **Kishore Biyani** on the coming together of physical and digital retail formats



XXCE

Checks on investment advisers

OUR BUREAU

Mumbai: Market watchdog Sebi has proposed a new set of norms for investment advisers, under which they will have to segregate their advisory and product distribution activities, as part of its effort to strengthen the regulatory framework.

Besides, the regulator has suggested that investment advisers (IA) should not come out with any investment advice suggesting assured returns to clients in the investment advisory document.

Also, Sebi has suggested mechanisms for charging fees from clients and proposed to raise the net worth requirement for IAs.

DOS & DON'T'S

- Clear distinction between two services— investment advice and distribution of the investment products
- Should not give any advice implying assured returns
- Will not seek power of attorney from clients for auto implementation of investment advice

Further, it has proposed that IAs should clearly declare to the client that they will not seek any power of attorney from its clients for auto implementation of investment advice.

The new set of proposals are intended to strengthen the regulatory framework for investment advisers as well as empower them to effectively discharge their responsibilities towards the investors who are their clients, the regulator said in a draft proposal.

Sebi said it has been receiving numerous investor complaints against investment advisers and most of the complaints were related to assured returns being offered by IAs, charging of exorbitant fees from clients with a false promises of handsome returns, mis-selling without adhering to the risk profile of the client, non-disclosure of complete service fees and charges and extracting money in the name of various charges.

The regulator has come out with fresh proposals in this regard and sought public comments on the proposals till January 30.

The final regulation will be put in place after taking into consideration the views of all stakeholders.

STOCK CHECK	
Sensex intra-day movement	
High	42059.45
Close	41932.56
Open	41924.74
Low	41812.26
Previous 41872.73	
CURRENCIES	
US \$	Rs 70.93
UK Pound	Rs 92.61
Euro	Rs 79.14
INDICES	
BSE	
Sensex	41932.56 +59.83
Midcap	15625.23 +119.00
Smallcap	14647.54 +113.68
NSE	
Nifty	12356.25 +12.95
Next 50	28980.25 +22.30
Nifty 500	10110.80 +23.75
Most active on NSE	
Script	Price* Traded value#
IndusInd	1383.80 1466.93
Reliance	1538.70 901.84
SBI	323.10 864.85
Bharti Airtel	473.90 756.77
TCS	2240.00 696.94
*In Rs; #In Rs crore	
COMMODITIES	
Gold (10 gram in Rs)	
Pure	40395 +255
Hallmark	38900 +245
Silver (kg in Rs)	
Bar	46300 +200
Portion	46400 +200
Crupe*	4108 +8.00
Copper#	455.50 +0.25
*per barrel in Rs; # per kg in Rs	
MONEY MARKET	
	Yield (%)
Call rate	3.60
91-day T-Bill	5.12
1-year Gilt	5.44
5-year Gilt	6.41
10-year Gilt	6.60

IN BRIEF

GMR debt reduction

■ **NEW DELHI:** GMR Infrastructure on Thursday said it will sell a 49 per cent stake instead of 44.44 per cent in its airport business to Tata Group subsidiary TRIL Urban Transport as the group continues with efforts to trim its debt. ■■

Insurance merger

■ **NEW DELHI:** HDFC ERGO Health, erstwhile Apollo Munich Health Insurance, will merge with HDFC ERGO through a share swap deal. The board of director of HDFC ERGO and HDFC ERGO Health approved the scheme of merger at its meeting on January 15. ■■

PF self update

■ **CALCUTTA:** The EPFO will allow members, who have left service, to self update their date of exit in the EPF records online. At least two months should elapse since the date of leaving service. This will help the members to transfer their accounts or withdraw their money. ■■

BOTTOM LINERS



“We’re compatible on Facebook, but he avoids me on Twitter.”

ED to quiz AirAsia chief on laundering

OUR BUREAU

New Delhi: The Enforcement Directorate (ED) has summoned the senior executives of AirAsia, including its CEO Tony Fernandes, next week for questioning in a money laundering case, officials said on Thursday.

The agency had registered a case under the Prevention of Money Laundering Act (PMLA) against the airline and its officials in 2018.

The officials said while Fernandes has been summoned here on January 20, a few others from the airline’s current and past management have been asked to depose before it for questioning

The ED probe is related to allegations that the airline tried to manipulate government policies through corrupt means to get an international licence for its Indian venture, AirAsia India Limited.

The case under PMLA was registered by the ED in May 2018 two days after the CBI filed a criminal complaint. The ED is also probing this case under Fema.

AirAsia India at present has flights connecting 21 do-



Tony Fernandes

mestic destinations and according to an aircraft fleet tracking website, it has 29 Airbus A320 planes.

Investigation into the case was initiated on ousted Tata Group chairman Cyrus Mistry’s allegation that fraudulent transactions of Rs 22 crore, involving non-existent entities in India and Singapore, were carried out in an instance involving the airline.

The CBI and the ED, in criminal FIRs, had booked AirAsia group CEO Fernandes, former deputy group CEO of Malaysia-based Air Asia Berhad Tharumalingam Kanagalingam, also known as Bo Lingam, and R. Venkataramanan, director of AirAsia India Ltd, Bangalore.

CBI books Adani firm

New Delhi: The CBI has registered a case of cheating and corruption against Adani Enterprises and a former chairman and an ex-managing director of multi-state cooperative NCCF for alleged irregularities in selecting a company for a tender to supply coal to power stations in Andhra Pradesh, officials said on Thursday.

The tender enquiry was forwarded to seven PSUs, including National Co-operative Consumer Federation India Ltd (NCCF).

The CBI booked Adani Enterprises, the then NCCF chairman Virender Singh, the then managing director of NCCF G.P. Gupta and its senior advisor S.C. Singhal under various IPC sections and Provisions of Prevention of Corruption Act for allegedly favouring the Ahmedabad-based company in the tender.

The Adani group said the matter is an old one and it was a preliminary investigation report only. ■■

Ex-NSE boss gets relief

OUR BUREAU

Mumbai: In the high-profile NSE co-location case, regulator Sebi on Thursday exonerated nine current and former officials of the exchange, including ex-MD and CEO Ravi Narain, saying they cannot be held responsible for any misconduct or non-compliance in the so-called “dark-fibre issue”.

The former officials who have been absolved from the charges are the exchange’s senior vice-president (operations) R. Nandakumar, co-location head Jagdish Joshi and chief technology officers (CTO) N. Muralidharan and Ravi Apte.

The current officials of the exchange to be exonerated are its chief operating officer (trading) Mayur Sindhwa, CTO-projects Sankarson Banerjee, CTO-operations G. Shenoy and vice-president regulations Suprabhat Lala.

The order came after an investigation by the Securities and Exchange Board of India (Sebi) against several former and current NSE em-

Judicial reforms on the anvil

OUR BUREAU

Calcutta: The Centre is looking to carry out more judicial reforms to improve the ease of doing business in India, Anurag Singh Thakur, the minister of state for finance, said in Calcutta on Thursday.

At a joint forum of the chambers of commerce and two bodies of professional association in the run-up to the Union budget, Thakur said: “The country has done so well in ease of doing business ranking that has gone up from 142 to 63. But as far as the the arbitration and judicial system is concerned, our ranking is very poor. It is an area of concern.”

The World Bank comes out with a ranking for countries on doing business on 11 parameters. While India has done well in bankruptcy, it has done poorly in “enforcing contracts”.

Thakur, however, said the government would beef up the bankruptcy process with more benches at NCLT and branches of NCLAT in several states, including Calcutta.

The minister also held out hope for Bengal’s beleaguered real estate sector which is worried about not benefiting from a central scheme for completing unfinished projects because of a legal quagmire.

Goyal barb at Amazon

OUR SPECIAL CORRESPONDENT

New Delhi: Union commerce minister Piyush Goyal on Thursday said Amazon was not doing any favour to India by investing a billion dollars in the country. He asked the US retailer to follow the letter and spirit of the law and questioned whether the firm could incur such “big” losses but for predatory pricing.

“They (Amazon) may have put in a billion dollars but if they make a loss of a billion dollars every year, then jolly well will have to finance that billion dollars. So, it is not as if

It is not as if they are doing a favour to India when they invest a billion dollars

PIYUSH GOYAL

they are doing a favour to India when they invest a billion dollars,” he said at a conference here.

Amazon founder Jeff Bezos had on Wednesday said the \$1-billion investment by Amazon.com would help to bring small and medium businesses

Trade truce spinoffs

R. SURYAMURTHY

New Delhi: India expects the US-China trade deal to spur global demand and boost shipments from the country.

However, analysts have raised concerns over increased imports by Beijing after the deal that could restrict Indian exports to China

“Some of the features of the deal such as China’s adherence to IPR and patent, no competitive currency management and removal of foreign equity limits in many sectors will benefit all partners countries, including India,” Ajay Sahai, director general and CEO of the Federation of Indian Export Organisations, told **The Telegraph**.

“However, as China has agreed to import additional US goods and services worth \$200

billion in calendar year 2020 and 2021 , it may come at the cost of other countries’ exports to China. We have to evaluate its impact on chemicals, pharma, iron and steel, cotton, marine products and rice which figure on the list of products.”

But what needs to be seen is the implementation of the deal in its letter and spirit, which can have a positive impact. “Yes, it will help in boosting growth in global trade and removing uncertainties, provided the implementation is done in letter and spirit,” Sahai said.

India gained about \$755 million in additional exports, mainly of chemicals, metals and ore, to the US in the first half of 2019 because of the trade diversion effects of Washington’s tariff war with China, a study by the UN trade and investment body has said.