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Another corporate back door entry?

A losing game

With Reliance Payment Bank, a joint venture between Reliance Industries Limited and SBI, set to begin operations in December, there is widespread concern that the new venture will cause the downslide of the country's largest public sector bank.

By **PURNIMA S. TRIPATHI --- Frontline**

IS it the beginning of the end for State Bank of India (SBI)? Is the country's largest public sector bank being pushed on a downward journey that could eventually lead to its demise?

State Bank of India is the only Indian bank to figure in the list of the world's top 50 banks and the only one to be listed in Fortune 500. It is widely known as the banker of the nation and has 23,566 branches in the country, of which 15,037 are in rural and semi-urban areas. SBI has 189 international offices in 35 countries. As of September 30, 2014, the bank had approximately 225 million active customer accounts, and deposits, net advances and a total assets base of Rs.14,73,785 crore, Rs.12,09,648 crore and Rs.18,74,332 crore respectively. It recently acquired additional muscle by merging its five associate banks with itself, besides opening crores of new accounts under the Prime Minister's Jan Dhan Yojana. This bank is now being gifted to Reliance Industries Limited (RIL) on a platter, ostensibly for the purpose of "banking the unbanked".

Where is the need for such a humongous institution, which enjoys tremendous credibility with the masses since it has never ever defaulted, to partner with a corporate house like Reliance? This is the question lakhs of SBI employees across India have been asking ever since news spread that Reliance Payment Bank, in partnership with SBI, is to begin operations from December. The Reserve Bank of India (RBI) gave its final approval to RIL to start its payment bank in March 2017. RIL and 10 other entities were given the in-principle approval for starting payment banks in September 2015. The Reliance-SBI Payment Bank was incorporated on November 10, 2016, as per a letter written by RIL to the Registrar of Companies. On July 1, 2016, RIL intimated the Bombay Stock Exchange and the National Stock Exchange that it had entered into a partnership venture with SBI in which RIL would be the promoter with 70 per cent equity investment and SBI would have a 30 per cent equity stake.

Smart technology argument

The avowed objective of the government and the RBI in giving the approval to the RIL-SBI partnership was to utilise the latest technology of Reliance Jio to reach unbanked rural areas. This argument, however, does not hold water because SBI, on its own, has employed over 1,50,000 business correspondents who have been working in the remotest corners of the country. Reliance, which was appointed Corporate Business Correspondent for SBI in 2012, did not appoint a single business correspondent since it was not a profitable activity for the group then. According to SBI officers, business correspondents appointed by SBI are being asked to work for RIL, thereby giving the corporate house an established network of business correspondents. “This will give RIL an opportunity to establish its payment bank without incurring any expenses,” said a senior bank official.

Indeed, even the argument about the use of RIL’s technology to enter into the deal sounds flawed because SBI already has successful smart technology initiatives in place. For example, SBI has launched SBI Buddy, SBI Mobi Cash, SBI Anywhere, and other mobile banking facilities on its Core Banking Solutions, apart from a vast network of ATMs, giving customers a rainbow experience of banking anywhere and anytime.

G.D. Nadaf, a former general secretary of the State Bank Officers Association, who also held the post of general secretary of the All India Bank Officers Confederation, said: “Frankly speaking, there was no need for SBI to go in for this deal, especially in view of the fact that SBI is grappling with the post-merger scenario.” SBI has been grappling with manpower problems since absorbing its five subsidiaries in May. Nadaf, who has also served as a director on the SBI Board, said that before entering into a partnership that has a bearing on lakhs of employees of the bank and millions of customers, the bank management should have held wide-ranging consultations with all stakeholders. “Why has the deal been kept under wraps? The secrecy surrounding the entire exercise makes it suspect,” he said.

According to Thomas D. Franco, general secretary of the State Bank Officers Association (Chennai circle) and of the All India Bank Officers Confederation, RIL has a reputation for bribing, manipulating and arm-twisting bureaucrats and politicians to get its work done. The company has even broken laws without compunction to serve its business interests. He cited several instances, Public Accounts Committee (PAC) and Comptroller and Auditor General of India (CAG) reports and even criminal charges and convictions of its senior executives, to prove his point.

In the 2G spectrum scam, Reliance Telecom was charged with criminal conspiracy to cause criminal breach of trust by a public servant, criminal conspiracy under Section 120B, cheating under Section 420 and forgery under Sections 468 and 471 of the Indian Penal Code. Reliance Telecom was booked under the Prevention of Corruption Act, 1988, and individual charges were framed against three of its senior corporate executives: Gautam Doshi, Surendra Pipara and Hari Nayar, which resulted in their arrests. In late 2007, the Securities and Exchange Board of India (SEBI) said that Reliance and the 12 unlisted trading houses it used had carried out unlawful transactions of the shares of its former unit, Reliance Petroleum Limited. SEBI ordered the companies to return gains worth Rs.447 crore with interest.

The five main allegations against the company were that Reliance used fake shares; it switched shares sent for transfers to make illegal profits; it indulged in insider trading in shares; it established a nexus with Unit Trust of India (UTI) to raise huge sums of money to the detriment of UTI subscribers; and it attempted to monopolise the private telecom services market through front companies.

As recently as May 2014, Oil and Natural Gas Corporation (ONGC) moved the Delhi High Court accusing RIL of pilfering 18 billion cubic metres from its gas-producing block in the Krishna Godavari basin. Subsequently, the two companies agreed to form an independent expert panel to probe pilferage.

RBI guidelines stipulate that payment bank promoters should be fit and proper, which can be construed as being financially strong and with ethical values, criteria which many believe RIL fails to meet. The Reliance Group has had a chequered history since the days of its founder, Dhirubhai Ambani. The irony is that the country’s biggest loan defaulter has been presented with the country’s largest public sector bank, along with its entire technology innovations, vast network of manpower and resources.

In what is now popularly known as the NPA (non-performing asset) scam in India, it is said that NPAs of public sector banks total roughly Rs.3.04 lakh crore, mainly on account of 10 large corporate houses. The government has refused to declare the names of these defaulters despite the Supreme Court's order seeking their names. According to a report of Credit Suisse in October 2015 (it could not be verified independently), its study found that until March 2015, RIL owed a whopping Rs.1.25 lakh crore to banks, followed by Anil Agarwal's Vedanta Group which had a loan default of Rs.1.03 lakh crore.

The other defaulters listed in the report are the Adani Group, with interests in energy, logistics and agrobusiness (Rs.96,031 crore); the Essar Group, active in services, steel and other sectors (Rs.1.01 lakh crore); the GVK Group, active in energy, hospitality, infrastructure and life sciences (Rs.33,933 crore); the Videocon Group headed by Venugopal Dhoot, with interest in TV and d2h services (Rs.45,405 crore); the Lanco Group, active in power and construction sectors (Rs.47,102 crore); the GMR Group, which built the T3 terminal at Indira Gandhi International Airport in Delhi at a cost of Rs.12,850 crore (Rs.47,976 crore); the JSW Group, the steel giant led by Sajjan Jindal (Rs.58,171 crore); and the Jaypee Group, the real estate company (Rs.75,163 crore).

Revenue forgone

Commenting on the NPA scam, Shashi Kant Sharma, former Comptroller and Auditor General of India, said it would be almost impossible to get the money back because a large part of it had been transferred abroad. There are allegations that the government has been secretly writing off these loans and justifying it by giving it fancy names such as "Revenue Forgone". In a reply given by Union Minister Santosh Gangwar in the Rajya Sabha on August 2, 2016, Revenue Forgone in 2015-16 was a whopping Rs.6.11 lakh crore. His statement revealed that corporate companies, on an average, got a tax waiver of Rs.5.32 lakh crore every year.

Given this track record of top corporate companies and given the fact that RIL is the top defaulter of public sector banks (even though the government does not admit it), why is the government keen on allowing the largest and the most trusted public sector bank to partner with Reliance? “What this essentially means is that without spending a penny, Reliance Industries will get the banking muscle of SBI while SBI will end up a loser. It will be engaged in low revenue-yielding operations of the payment bank and its vast network of business correspondents will be engaged in selling the products of the Reliance group such as Reliance Mutual Fund, Reliance General Insurance and Reliance Life Insurance, which will make a dent into SBI’s earnings because SBI has similar products. We cannot understand how SBI stands to gain by partnering with the Reliance group,” Franco said. He has written to the RBI to revoke the licence, but in vain.

Given the benefits, the Reliance Group is obviously upbeat. It had initially planned to launch the bank in October and even publish advertisements. The RBI raised certain objections and the proposed rollout was stalled. Although informed sources said that the payments bank would go on the floor in December, top Reliance executives were tight-lipped about it. “You know how finicky the RBI is about these things. So, we are not saying anything about when the bank will start operations. But we are ready, and the moment the RBI gives us the final approval, we will roll it out,” a senior Reliance executive told Frontline over telephone. He said that with the country’s largest corporate group and the largest bank joining hands, the banking scenario would be transformed for all times to come just like the mobile segment underwent a tectonic shift.

Franco and other banking industry leaders are worried, especially in view of the fact that the Financial Resolution and Deposit Insurance Bill is likely to be passed in the coming weeks. The Bill is expected to put banking institutions under the direct control of the Finance Ministry. Once this Bill is enacted, SBI, which has already been designated as a Systemically Important Financial Institution, will be under the microscopic scrutiny of the government and any concerns about its financial health or performance will make it liable for liquidation, merger or acquisition by another entity.

“The coincidence of the Bill now becoming a law and the RIL-SBI partnership bank coming into existence is ominous. We demand that the government revoke the licence given to RIL,” said Franco. The Reliance executive dismissed these apprehensions, saying that the digital banking space had room for all, but the concerns remain. The SBI management needs to take its personnel into its confidence about the impact of its partnership with Reliance.

The IBC Is Going the Way of Previous Failed Laws on Bad Loan

Sucheta Dalal

10 May 2019 9

MONEY & BANKING

Economy & Nation

An industrialist, who has keen interest in the resolution of bad loans, told me that banks are no longer keen on the shining new bankruptcy law—Insolvency and Bankruptcy Code (IBC)—to recover bad loans. He says that banks prefer to find other solutions because of long delays and endless litigation, often leading to an outcome that is no better than what could have been achieved through negotiation

According to him, the government has told bankers to work hard to avoid the liquidation route, because that fetches a pittance. So, banks now prefer to negotiate with promoters and are turning a blind eye to bids from absconding promoters or their front companies.

This indicates that the bankruptcy law will rapidly go the way of all previous legislations and debt recovery mechanisms that failed to help lenders recover bad loans. And, bankers in collusion with borrowers, supported by politicians, will ensure that banks will keep writing off bad loans and the exchequer will bail them out through repeated recapitalisation.

In other words, you and I will continue to pay for the massive bad loans of big industrialists, farmers and anyone else whose outstanding debt is condoned by the our politicians.

Bad loans of Indian banks are estimated at Rs10 lakh crore or more. Moreover, banks have been routinely cleaning up their books through massive 'technical write-offs', knowing full well that there will be almost no recovery in most cases. This is done as a tax-saving measure with full support from the finance ministry. Such write-offs are massive.

Gamed from the Start

Despite assertions of having rooted out corruption, many corrupt bankers have been complicit in gaming the IBC from the very beginning. In November 2017, the Insolvency and Bankruptcy Board of India (IBBI) published detailed guidelines on how creditors should evaluate bids. It asked the committee of creditors (CoC) to carry out due diligence to ensure that each resolution plan is viable, to avoid plans that may 'lead to liquidation, post-resolution', and ensure that persons submitting the plan 'are credible'. This guidance was promptly ignored.

As Debashis Basu wrote in November 2017, "One of the many flaws of the badly drafted IBC and the whole new bankruptcy architecture is that it did not take into account the very Indian possibility that promoters (and others) will try to game the system in many obvious ways." In September 2017, he had written about how the bankruptcy process was gamed from the very first resolution of Synergies Dooray Automotive Ltd.

However, all these clues were buried under the orchestrated hoopla and social media celebration by government ministers after the bidding wars leading to few successful resolutions such as Bhushan Steel, Monnet Ispat & Energy, Electrosteels and Binani Cement. Barring the keen interest among leading industrialists to acquire Essar Steel and Bhushan Power , the average recovery, in most cases, is below 25% and there are simply no buyers for many basket cases.

Of the first 12 accounts referred to bankruptcy proceedings, Bhushan Steel, Electrosteels Steel, Jyoti Structures and Alok Industries found buyers. Lanco Infratech and ABG Shipyard have gone into liquidation, while Amtek Auto also seems headed that way.

Essar Steel, Bhushan Power and Jaypee Infratech are embroiled in endless litigation. The only serious bidder for Jaypee Infratech, which owes Rs9,782 crore to creditors, is State owned NBCC Ltd, which has made a complex and conditional bid that does not seem to give lenders much hope of recovery.

The lenders of Era Infrastructure Engineering (debt in excess of Rs17,000 crore including subsidiaries/special purpose vehicles) are still struggling to find a workable resolution, since the group has arbitration awards with regard to the money owed to it by various entities, including the National Highway Authority of India.

IBC seems headed the way of many other failed laws such as SICA, BIFR, SARFAESI and others; of the 1,484 cases admitted, only 40 have been closed.

Let's take a look at specific cases that are likely to derail IBC.

Liberty's Games: London-based Liberty House, headed by Sanjeev Gupta, was one of the big movers & shakers in the bankruptcy business three years ago. It was always rumoured in business circles that Liberty House had no plan to hold on to the companies after getting them cheap. Now, Sanjay Gupta has messed up the resolution process and obstructed serious bidders in his three winning bids for ABG Shipyard, Amtek Auto and Adhunik Metaliks.

ABG Shipyard: On 25th April, NCLT (National Company Law Tribunal) ordered the liquidation of ABG Shipyard after Liberty House failed to pay up the small upfront fee on its Rs5,200-crore bid. ABG Shipyard owes a massive Rs18,245 crore to a consortium of 22 lenders, led by ICICI Bank. They would be lucky to recover even Rs2,200 crore, on liquidation.

Amtek Auto: Liberty House won Amtek Auto with an offer of Rs4,400 crore in July 2018. After it failed to pay up, NCLT's Chandigarh bench recommended prosecution and allowed it to withdraw the bid after imposing a cost on it. On 4th May, IBBI filed a criminal complaint against Liberty House under Section 74(3) of IBC which, provides for prosecution and punishment including a jail term of up to five years and a penalty of up to Rs1crore.

Sanjeev Gupta and three top executives have been summoned by a special court for ‘wilful’ breach of the resolution plan and asked to be present at the next hearing on 11th July. Liberty House, in turn, has accused the resolution professional and Amtek Auto’s previous owners of misrepresenting facts in the information memorandum. It remains to be seen if it can make the claim stick, when it has reneged on two other bids.

Adhunik Metaliks Ltd: Here, too, Liberty House has missed multiple deadlines to pay up the Rs410 crore as an upfront cash payment. It hasn’t officially withdrawn its bid, but finds varied excuses to delay the payment. Adhunik Metaliks owes Rs 5,371 crore to lenders. Here, Liberty House has certainly derailed a proper resolution because Adhunik had other serious bidders wanting to acquire the company.

Sterling Biotech: As we have written earlier, here is a group that is under investigation by multiple agencies, including the Central Bureau of Investigation (CBI) and enforcement directorate (ED), for fraud, diversion of funds, money laundering and other offences. The four promoters -- Nitin, Chetak and Dipti Sandesara and Hitesh Patel -- are absconding from India. And, yet, bankers, led by Andhra Bank, attempted to withdraw the two main group companies from the resolution process.

The Sterling group owes over Rs15,600 crore to its financial and operational creditors. While the flagship Sterling Biotech owes over Rs7,500 crore to lenders, sister concern Sterling SEZ owes over Rs8,100 crore. The Sandesaras, who are facing criminal investigation, had the gall to make an offer, from their safe hiding place overseas, to settle their loans by paying less than 45% of what they owe the banks. In two separate cases, NCLT has severely reprimanded the resolution professional as well as bankers for failing to make full disclosures to the court.

In Sterling SEZ, NCLT had first allowed the withdrawal from insolvency, but later recalled its order on 26th April and directed government to take punitive action against the senior officials of the lenders for misleading the Tribunal with a withdrawal plea.

The brazenness of the Sterling proposal and the alacrity with which banks attempted to accept it is all the more controversial because the Sandesara family is perceived to be close to the ruling government and the controversial CBI special director Rakesh Asthana.

Ushdev International: In what is considered a Liberty House-like case, a Singaporean bidder wants to acquire Ushdev International, a steel trading firm that ran up a fat debt of Rs3,450 crore. The company was founded by late Vijay Gupta and promoters held a 54% stake.

On 6th May, NCLT's Mumbai bench asked the potential investor to submit an affidavit with regard to his offer to pay Rs200 crore upfront to acquire the company. At least one leading bank has objected to the move. They expect the company to fetch Rs900 crore, on liquidation. While we wait to see what happens next, business circles believe this is just a proxy bid. It will be a travesty of the IBC, if industrialists get to retain control with nearly 2/3rd of their debt wiped out. Although and amendment to the IBC is supposed to prevent promoters from bidding for their companies, Indian businessmen have been working hard to game the system and appear to be succeeding, going by the next case.

Gemini Communications: According to a report in Bloomberg Quint, National Company Law Appellate Tribunal (NCLAT) may have permitted a backdoor re-entry by the promoters in Gemini Communications Limited. The NCLAT order in this case says, "A scheme of compromise must be considered first at the liquidation stage before the assets of the company can be liquidated. But it hasn't explicitly stated whether such a scheme can be proposed by promoters, who are barred to participate in the resolution process even at the liquidation stage under the IBC."

The promoters of Gemini have reportedly offered Rs30 crore as part of the compromise, as against the liquidation value of Rs3 crore. Although Section 29A of IBC, explicitly bars promoter of defaulting companies from bidding, a couple of Supreme Court judgements are being cited by legal experts to justify this in compromise cases.

If the promoters of Gemini Communications manage to force such a compromise, Essar Steel is bound to fight for similar treatment. The Ruias are already in the Supreme Court using every possible argument and loophole to stop Arcelor Mittal from acquiring the company. As in most cases mentioned above, nobody is asking about the source of their money or their failure to pay up until the company was on the verge of being acquired.

The initial success of IBC was mainly due to the Modi government's determination to bring crony capitalists, who have defrauded the banking system, to book. In less than three years, that determination seems to have eroded substantially. The fate of the Act now depends on the composition and leadership of the new government that is voted in, on 23rd May. The way the Act has been diluted by strange judgements, multiple amendments and collusions with bankers, it will take Herculean political will to make IBC work any better than the previous failed laws.

Jet revival plan hits air pocket?

Lalatendu Mishra
MUMBAI, MAY 13, 2019
THE HINDU

Etihad Airways says bid for airline is purely conditional and not binding

The bidding process initiated by lenders of Jet Airways has technically failed because not a single entity submitted a binding bid as required by the SBI Capital Markets Ltd. (SBI Caps) on behalf of the consortium of lenders.

Etihad Airways might have responded by submitting its bid just before the 6 p.m., May 10, 2019 deadline, but it has clarified that its bid is purely conditional and not binding as made out to be.

With this, the lenders would have no problem in entertaining the already received two unsolicited bids if their proposals are anyway better than the one offered by Etihad.

Till going to the press neither SBI Caps nor State Bank of India (SBI), which is leading the consortium of lenders, said anything on the contents of the bid received from Etihad. A detailed e-mail to Etihad yielded no response.

Etihad reportedly had committed investment of only Rs.1,700 crore to retain its 24% holding in Jet Airways and had asked the banks for a one-time settlement of the loan which means the lenders would have to take a big haircut.

The Abu Dhabi-based airline is believed to have asked banks to find an investor who would pick up majority stake in the airline. The airline should be run by professional management, it said.

As per rules, Indian entities only can have majority control in an Indian airline.

SBI is believed to be in talks with National Investment and Infrastructure Fund (NIIF), a joint venture between Government of India and Abu Dhabi Investment Authority, to join hands with Etihad Airways to revive the airline. NIIF did participate at the expression of interest stage but backed out of submitting a binding bid.

'Lacking commitment'

Analysts said Etihad's offer is lacking in commitment to revive the airline.

"Their sole objective is to sell the debt and go away," said an analyst asking not to be named.

"The deal looks extremely cloudy and less likely to fructify as Etihad Airway's commitment to revive Jet is lacking. The investment it is committing is not even enough to meet the fuel cost," said Mark Martin, CEO and founder, Martin Consulting.

He emphasised that Jet needed a serious buyer who can transform the airline taking advantage of its executable assets such as routes, reworked maintenance contracts and a workforce which is reputed for its hospitality.

Make the revival difficult, an Enforcement Directorate probe had surfaced six years after Jet sold 50.1% stake in Jet Privilege to Etihad for $150 million. Analysts said some business rivals were at work so that they can benefit from the turmoil.

Rising balance in Jan Dhan accounts spells windfall for banks

G Naga Sridhar Hyderabad | May 13, 2019

THE HINDU BusinessLine

The no-frills deposits drive growth in CASA

Banks have been witnessing a spurt in Current Account and Savings Accounts (CASA) due to a high balance in Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts. This is seen as one of the growth drivers of CASA.

CASA deposits are advantageous to banks as they can bring down the cost of funds when compared with bulk deposits.

Banks reported considerable growth in this segment in FY19. State Bank of India reported an 8.42 per cent growth in CASA last fiscal with deposits touchingRs.12,87,285 crore.

At HDFC Bank and ICICI Bank respectively, the growth stood at 14 per cent and 13 per cent. Similarly, Syndicate Bank had a 5 per cent increase while Canara Bank showed 4.65 per cent growth.

“Public sector banks and Regional Rural Banks (RRBs) surely benefited from PMJDY accounts as they pushed up CASA,” V Arvind, Chairman, Telangana Grameena Bank, sponsored by SBI, told ***Business Line.***

According to government data, the total balance in these ‘basic’ bank accounts now stands at Rs.99,752 crore, with 35.5 crore beneficiaries.

As the average balance in most Jan Dhan accounts hovers at around Rs.2,000, bankers now see some advantage in them, unlike earlier, when they viewed no-frills accounts as a burden. According to a senior SBI official, PMJDY "did make a positive difference" to the bank, with total deposits of Rs.31,235 crore as on March 31, 2019, againstRs.23,982 crore in March 2018. The monthly average balance now stands at Rs.2,192.

Other factors

But the CASA growth is also driven by other factors such as the introduction of digital accounts and some banks offering attractive interest rates on savings accounts, he added.

These have together contributed to a significant share of CASA in the total deposits.

According to RBI data on deposits and the credit of scheduled commercial banks, CASA now has a share of about 43 per cent.

Seven States — Maharashtra, Delhi-NCR, Tamil Nadu, Karnataka, Uttar Pradesh, Gujarat and West Bengal — accounted for about two-thirds of the deposits. Incidentally, almost all these States have high balances in PMJDY accounts.

Jet Airways CEO tells govt: No clarity on salaries till resolution outcome

FE Bureau | Mumbai | May 14, 2019

THE FINANCIAL EXPRESS

Vinay Dube, CEO of the grounded carrier, Jet Airways, on Monday told the ministry of labour and employment officials that there can be no clarity on the issue of payment of salaries to the employees till the outcome of the bank-led resolution process

Vinay Dube, CEO of the grounded carrier, Jet Airways, on Monday told the ministry of labour and employment officials that there can be no clarity on the issue of payment of salaries to the employees till the outcome of the bank-led resolution process. Dube was called by the ministry officials to provide clarity as to by when the salaries can be paid.

“Where we stand is dependent on how the bid process goes,” Dube said. “The lenders are leading this. We await any kind of formal intimation from the lenders on who the bids are from, what the details are and the steps we can take jointly.”

The meeting was called following a letter written by the pilots of the airline to the ministry on May 8, seeking redressal of their held back wages. The airline had delayed salary payments since August 2018, and all employees have gone without pay since March of this year. On April 17, Jet Airways temporarily halted operations after lenders refused the airline’s request to extend emergency funding to continue operations.

Following the airline’s failure to meet its payment obligations to lenders, Naresh Goyal, founder and former chairman of Jet Airways, stepped down from the board. Lenders took control of Jet Airways and initiated the debt resolution process. On April 8, SBI Caps, the consultant for the resolution process, invited expression-of-interest documents from interested bidders for the “change in management and control of Jet Airways”.

On May 10, minutes before the deadline for bids ended, Abu Dhabi-based Etihad Airways emerged as the sole bidder, but for a minority stake in the ailing carrier. An Indian partner for Etihad Airways is yet to be found, Rajnish Kumar, SBI chairman, told television channels on Monday. Lenders also received unsolicited bids from several parties.

Since the grounding of Jet Airways, the ministry of civil aviation has given away slots previously allotted to the airline in major airports to other airlines. Dube, along with other officials of the airline, met various ministry officials seeking support to pay salaries and requesting that slots for Jet Airways be retained. On the issue of slots being reallocated, Dube said, the ministry of civil aviation has assured him “the slots will be available for Jet Airways as and when we are able to resurrect the airline”.

Jet Airways CFO, deputy CEO Amit Agarwal resigns for 'personal reasons'

Amit Agarwal had been named as the deputy chief executive officer of the airline in 2017

Agarwal joined Jet as its chief financial officer in 2015 and was also its acting CEO from March 1, 2016 until August 9, 2017

May 14, 2019

Business Standard

Jet Airways CFO and deputy CEO Amit Agarwal on Monday resigned from the company for personal reasons, the airline said in a statement to the stock exchanges.

"We wish to inform you that Amit Agarwal, deputy CEO and Chief Financial Officer of the company has resigned from the services of the company due to personal reasons, with effect from May 13, 2019," Jet Airways said in a BSE filing.

Amit Agarwal had been named as the deputy chief executive officer of the airline in 2017. He joined Jet as its chief financial officer in 2015 and was also its acting CEO from March 1, 2016 until August 9, 2017.

Despite the jump in ease of doing business, India sees huge exodus of millionaires

Monika Yadav | May 13, 2019

THE FINANCIAL EXPRESS

Despite the government's thrust on improving ease of doing business, India saw the largest migration of its high net worth individuals in 2018 after China and Russian Federation

India sees huge exodus of HNIs in 2018 according to a recent report. 5,000 HNIs left India in 2018

Despite the government's thrust on improving ease of doing business, India saw the largest migration of its high net worth individuals in 2018 after China and Russian Federation. The large exodus of HNIs can be attributed to better standard of living, safety, better work, business and education opportunities in other countries, according to a recent report. Notably, India's ranking in terms of ease of doing business had jumped to 77 from 100 last year but it seems to have failed in creating a suitable environment for millionaires to stay back in the country which claims to be the fastest growing economy in the world.

The total number of HNIs which left India in 2018 represent 2 percent of the total HNIs in the country. As per the report, 5,000 HNIs left the country in 2018. However, the report also said that the outflow of HNIs from China and India is not a concern as both the countries are still producing far more HNIs than they are losing. With the improvement in the standard of living in these two countries, several wealthy people will move back.

Last year, in an interview with Financial Express Online, Ruchir Sharma, Chief Global Strategist, Morgan Stanley Investment Management, had cited the reasons of anti corruption and regulatory crackdown in India behind the leaving of millionaires. He had said that the speed at which millionaires were leaving India might affect the domestic markets, and might not bode well for India going forward.

Australia, the US and Canada are the top three countries which saw the largest inflow of HNIs in 2018 on account of safety, appeal of bringing up children and better education in terms of schools and universities, climate, healthcare and tax system among others.

Australia has beaten out the world's largest economy US for the fourth consecutive year in attracting the HNIs. Sydney, Melbourne and the Gold Coast are among the most popular cities to move in for HNIs in Australia. In the US, the most preferred places for HNIs are New York City, Los Angeles, Miami and the San Francisco Bay area. After Australia and the US, Canada is the topmost country which saw the largest inflow of HNIs in 2018. Dubai in UAE is also one of the most sought after places for the millionaires to move in, as per the report.

Lok Sabha polls: 21 million eligible women in India never register to vote, undermining universal suffrage

The Financial Express | May 14, 2019

THE FINANCIAL EXPRESS

A new book highlights that 21 million eligible women in the country never register to vote, undermining universal suffrage

In 2019, if enfranchisement among Indian men is considered to be at 100%, the corresponding figure for women stands at 92.7%

An excerpt from The Verdict: Decoding India's Elections by Prannoy Roy and Dorab R Soppariwala, published in Down to Earth, highlights the issue of female disenfranchisement—women missing from the electoral rolls. This means far from being universal, adult franchise in India leaves out a vulnerable lot. In 2019, if enfranchisement among Indian men is considered to be at 100%, the corresponding figure for women stands at 92.7%. While the difference may not seem sharp, in absolute numbers, this means 21 million eligible women are not registered as voters. That amounts to an average of 38,000 women voters missing per constituency. Given polls are often lost or won by slimmer margins, the missing women are significant systemic flaw that needs to be rectified.

Disenfranchisement is rooted in a wide array of factors, some of which may be social as well. For instance, the populous, but largely patriarchal states of Uttar Pradesh, Rajasthan and Madhya Pradesh account for 10 million of the missing 21 million. On the other hand, matrilineal states of the North East and Goa have more women voters than men. If election promises have one leitmotif, it is women's empowerment. Every party talks about. Very little gets translated into action. With women voters missing from the rolls, a women-centric agenda is less likely to receive electoral backing. The Verdict's authors suggest that every woman above 18 be allowed to vote if she can prove her age irrespective of whether she has a voter ID card or not. While that works as a stop gap solution, given the problem is a systemic one, the treatment has to be systemic too.

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