

Pass on GST benefit

Listed firms may reap gains in term of costs and market share. But consumers too should benefit

After showing signs of nervousness, the stock market seems to have taken the transition to the Goods and Services Tax (GST) in its stride. One reason for the lack of reaction to this watershed event, which is bound to cause near-term disruption to businesses, could be that the market has had an extended time to analyse and factor in the GST impact on India Inc's finances. However, this may not be the only reason for the stock market's sanguine view. The GST can actually deliver a mini-stimulus to listed firms on several counts.

Whether they're in the B2B or B2C businesses, GST incentivises buyers to rely on large, tax-compliant firms rather than small unorganised players for their sourcing requirements. The reverse charge mechanism, where buyers need to cough up taxes on behalf of unregistered suppliers, and the symbiotic input tax credit system both encourage such a shift. Listed manufacturers of intermediate goods — engineering, textiles, auto components and chemicals, for instance — may gain from this trend. The low threshold for the applicability of GST, at ₹20 lakh annual turnover, also does away with the tax arbitrage between smaller and larger firms across sectors. Post-GST, unbranded players in consumer businesses will no longer be in a position to offer severe price competition to larger branded rivals by leveraging on a negligible tax outgo. This may translate into market share gains for listed players in processed foods, readymade garments, retail, footwear and consumer appliances et al. The filing of returns and record keeping under GST rely overwhelmingly on the online mode; larger firms would obviously be more IT-ready than smaller ones. All these factors suggest that the advent of GST could trigger a large-scale reshuffle of market shares in favour of listed and branded players — a trend that was already under way post-demonetisation. Let's not forget that GST also pegs down tax rates on a range of manufactured products, while increasing tax incidence for services. Given that the Indian listed universe carries a far greater weight to manufacturing than services, this means significant cost savings for India Inc.

Given that listed firms have been struggling to deliver to the profit expectations of the Street for several quarters now, the temptation may be strong for them to quietly soak up GST cost savings and pad up their profits. Indeed, in the past, India Inc has been quite accustomed to promptly passing on cost escalations to consumers through price hikes, while defraying cost savings on advertising, administrative overheads or employee benefits. But such a strategy can well backfire in the current economic context, where consumer demand is constrained by slow growth, uncertain job prospects and deflationary price trends. Therefore, irrespective of whether an anti-profit-eering authority is watching or not, it would be wise for India Inc to sacrifice any short-term profit boost from GST, in favour of lower selling prices that deliver durable gains in the topline.

FROM THE VIEWROOM

Cold-shouldered by Trump

Atmospherics apart, little came out of Modi's US visit

Prime Minister Narendra Modi's recent visit to the US has done precious little to soften the Trump government's hard posture on the trade front with India. The beatific pictures of both leaders notwithstanding, Trump did not mince words in telling Modi that in his view it was American business which was treated unfairly in India, and not vice versa. In their bilateral meeting, the US President asked the Indian PM to remove barriers to export of US goods to India and work on reducing the US \$31-billion trade deficit with India. The fact that India does not impose any specific barriers on US exports and that its tariffs are uniform for all countries did not seem to matter. Not surprisingly, the need to increase market access in manufacturing and agricultural goods featured prominently in the joint statement. The US government's decision to investigate into whether the bilateral deficit was due to cheating and wrong trade practices went unchallenged. Modi could not voice his disappointment.



What is puzzling is the complete silence on the H1B visa restrictions in the joint communiqué. Efforts are also on to ensure that more restrictions being considered by the US Congress, that could spell doom for Indian IT companies in the US, do not get implemented.

The fact that this single-most important issue for India got completely bypassed indicates the influence the US wields in such high-level meetings. India should have made more efforts to ensure the matter received some mention. To avoid important issues because they are difficult is not a good idea. One can now only hope that the proposed comprehensive review process of trade relations mentioned in the joint statement gives at least as much weight to the problems of the Indian industry as its American counterparts.

Amiti Sen Deputy Editor

The Mind of the Board

Regulators have needlessly given boards a bad name. Well-functioning boards take decisions after assessing risks well



SIDHARTH BIRLA THE EXCHANGE

The Board of Directors ("board") has legal accountability to a corporate entity. It is their collective mind that drives and directs the company. They are legally obligated to exercise reasonable care, skill and diligence, and avoid/disclose any potential conflicts of interest. Ideally, notwithstanding the category one belongs to (such as promoter, independent, nominee) each director is expected to exercise independent and good faith judgment in promoting the company's success.

It stands to reason that the underlying ethos uniting the board must be an implicit bond of mutual trust and confidence, surely not one of convenience or connivance.

In recent times due to a variety of reasons there has been a lot of negative commentary on board dynamics, leading to a typical reaction of revisiting regulations. But more is not always better.

Misconceptions galore

The law prescribes how there cannot be any central or disproportionate point of control in a board, and that key decision-moderating powers lean away from interested directors. But the Chairman is central in generating consensus from different constituencies so that decisions are balanced.

Even political parties resort to consensus decisions, but that does not put all parties ideologically in the same corner. Similarly a board decision arrived at by consensus cannot suggest any nexus.

Yet, audiences removed from real boards often rush to conclude that promoters sit on boards to evolve collateral agendas divergent from company interests, or that outside directors either find it easier to sleep on the job or collude in some form.

Of course, there will always be some bad eggs. But society, government and media would do well not to paint established configurations with a broad brush.

Take, for instance, a sample of opinion that typically emanates from regulators: "Some independent directors are appointed at the mercy of promoters, (with) no prescribed qualifications or procedures, many are from closed clubs, and have no commitment to any cause". Tough words; yet one point of view.

However, the respected M Damodaran (former SEBI chief) "warns against the assumption that all managements are scheming manipulators, and independent directors zealous guardians of the public good; things could be the other way round too". Tougher, but closer to the truth.

Career activists for governance develop volumes of remedies against failures of governance. Yet most of them remedies are merely procedural or rule-based.

It's probably a no-brainer that both good and bad companies have adopted these, even if in tick-boxes. So, if such regulatory recipes do not always make a good board or lead to good decisions, what works?

Preoccupations of boards

We cannot underestimate the key — the human element — combining chemistry, respect, trust and frankness.

There is a lot of effort that needs to be put in — even between people who know each other well for years (in itself this does not form a club) —



The Board's at work Discussing matters threadbare RAWPIXEL.COM/SHUTTERSTOCK.COM

to ensure that the collective chemistry and mutual trust is put to the company's best use.

While India is poised for rapid economic growth, the subject of lack of private investment recurs frequently. Investment is an act of both short-term and long-term faith and cannot occur without the board's mandate of investing own funds, borrowing money, and undertaking business risks. Therefore, it may serve to also analyse how the mind of the board is otherwise occupied.

Just like US boards spent disproportionate time on regulatory compliances after the Sarbanes-Oxley Act of 2002 came into being, Indian boards also invest considerable ink and sweat in compliance reporting and recording.

The proclivity of our system to provide cumbersome — and sometimes uncoordinated — workloads to various constituencies such as company secretaries, chartered and cost accountants multiplies the less-than-productive workload of the board.

After regulatory compliance is finished, the board spends time on (i) current business conditions (ii) monitoring/evaluating performance (iii) forming a view on expected performance in coming quarters/years (iv) understanding risks,

and mitigation strategies of the management.

Risk assessment

Risk appreciation/management is a key task for all boards, yet is truly addressed by only the most evolved ones. A dispassionate understanding of risks can prevent/could have avoided the delicate spots that many companies find themselves in today. It goes without saying that a continuous churn in what is already an extremely complex legal and administrative environment, or the possibility that businesses may be indirectly affected in the short term by potentially disruptive policies, is an added unforeseeable dimension.

Stretching too far

For most boards, the possibility of considering any new investment or major expansion comes up only after all the above elements have played out. It must not be ruled out that promoters assuming risks or obligations beyond their core equity positions will at heart seek alteration of delicate balances.

I have at times argued that onerous obligations (including but not limited to guarantees) induce false complacency, including at the creditor end, leading to multiple complications when a structure

crumbles. Outside directors may also get a false sense of inhibition, to the board's detriment.

In tough situations, the chemistry and trust in a board plays a definitive part. Good governance balances the often-conflicting demands and helps reach good decisions (remember, sometimes even good decisions have poor outcomes); a good Chairman can steer the ship appropriately. The quality of a Board's decision-making is directly dependent on the quality and timeliness of information and analysis submitted by management. Regulations dictate the scope and type of information and disclosure, but cannot dictate quality. Evolved boards can direct ever improving disclosure and analysis standards, but many boards still have to work hard to catch up.

The job of the board is complex and ethically demanding. The penalties in law for infractions can be as severe as is seen around the globe. More than a century ago Louis Pasteur said, "Chance favours the prepared mind." The typical board makes every effort towards a reasoned and prepared mind, even if outsiders don't always agree.

The author is an entrepreneur and past president of FICCI. The views are personal.

For a regulated internet, thank Canada

A Canada court ruling, apart from Germany's moves, may have set the norm for governments to step in when really needed

NOAH FELDMAN

Does Canada own the internet? The question may sound like a joke, but it's the serious challenge presented by a Canadian Supreme Court decision issued last week. The court ordered Google to de-index search results that were letting one side of a lawsuit violate the intellectual property rights of the other — not just in Canada, but worldwide.

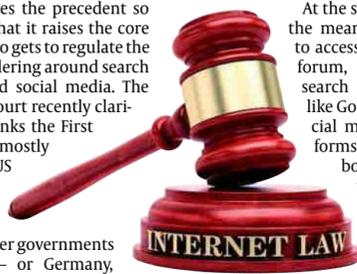
The court tried to avoid the difficult free-speech issues by saying those weren't involved in the case. But what makes the precedent so important is that it raises the core problem of who gets to regulate the internet by ordering around search companies and social media. The US Supreme Court recently clarified that it thinks the First Amendment mostly blocks the US government from such regulation. That leaves other governments like Canada — or Germany, which on Friday enacted legisla-

tion that forces social media entities to remove unwanted content.

Two approaches

A good way to think about regulation in the internet age is to consider two radically different views about who should be doing it, if anyone. In the US, the internet is treated as a free-speech zone made up of vast democratic forums, as Justice Anthony Kennedy said in a recent opinion. The federal government and the states can't do much to regulate what is said in that space.

At the same time, the means we use to access that vast forum, such as search engines like Google or social media platforms like Facebook, are treated under US law as private entities



with free speech rights of their own. That means Google and Facebook can shape access to content as they please, subject only to market pressures. The First Amendment protects their right to do so.

In sharp contrast to the US model is the approach exemplified by the Canadian decision, as well as by European laws. According to this view, governments are entitled to regulate what happens on the internet in order to protect their citizens according to their own laws.

And those laws include various bans on hate speech and enforcement of privacy laws. It's important to remember in this context that the US is a free-speech outlier, embracing unfettered discourse in ways most countries — including free ones — consider mistaken and even wrongheaded.

In the Canadian opinion, Google v. Equustek, a British Columbia technology company was trying to block another company from reselling its stolen intellectual property via websites on servers in unknown locations. To protect the company, a trial court ordered

Google to de-index, or block, the predator's website worldwide.

Across borders

Google was willing to de-index in Canada, but it objected to becoming the means by which the Canadian court sought to enforce its order throughout the world. Among other things, Google said that it was possible the victim company couldn't have gotten the order in other countries and that de-indexing might force Google to violate the laws of some other place.

Invoking a hot-button term in international law, Google said the worldwide order would violate comity — roughly, the notion that courts in one country shouldn't interfere with the laws of other countries.

The proposed German law won't work if it only limits what is searchable on German Google. Internet regulation has to be universal to work. That sets up a future of conflict between countries that want to regulate effectively within their borders and those that, like the US, want to keep information flowing

freely without government intervention.

The particular anomaly is that Google could be regulated within the US by foreign nations — while US law would protect it against domestic regulation.

Advocates of a free internet warn of a race to the bottom, in which the most restrictive countries block free speech everywhere. That's conceivable but unlikely. Right now Google and Facebook have the capacity to resist being bullied by countries that don't respect free speech.

But what could happen is something more like a partial jog to the middle — where platforms comply with reasonable speech limitations worldwide. That could mean adopting limits on hate speech, for example, or protecting privacy. In the US, after all, those private platforms have the right to adopt those restrictions by choice. So it wouldn't be unlawful for them to follow, say, Canadian or German guidelines. Canada really would rule the internet, or at least the platforms we use to access it. Would that really be such a bad outcome? BLOOMBERG

LETTERS TO THE EDITOR

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Communal politics

'Not in my name' (July 4) clearly sums up the dangers of allowing communalism to spread unabated in the country. It is a sad truth that the Hindutva sloganeering by fringe elements has gained new intensity after the ascension of BJP to power at the Centre. Fortunately and to their credit, the minority community is exhibiting extreme patience in spite of continued threats from the Hindutva brigade. Public protests and social media have their own limitations. Except for creating awareness among wider audience they are definitely no substitute for concerted action from the powers that be. One cannot expect a Nirbhaya type of uprising every time.

V Subramanian Chennai

Banks and NPAs

This has reference to the editorial of July 4. The financial stability re-

port of RBI has expressed concern over the high level of NPAs, which are expected to escalate in the near future also. Coupled with NPA, muted credit growth is also a matter of concern as the combination affects banks' bottom lines. Banks are shying away from medium and large credit exposures. During the period under review, banks were grappling with demonetisation, which shifted the business priorities, and more borrowers were hit. Now, GST will disrupt the business environment.

The trend also shows a decline of bank credit as a whole which is not a good indicator. Banks should encash on the Make in India and Stand Up India schemes to build quality assets, which can be the immediate remedy, since resolution invoking IBC is a time-bound procedure and subject to the delays attendant in a legal process.

S Veeraghavan Coimbatore

PMI fall will hit jobs, economy

This refers to "Manufacturing PMI at 4-month low of 50.9 in June" (July 4). It has a lot of significance in the context of the various responses on the GST regime. The fall in the PMI has serious repercussions for some important sectors such as economy and job opportunities.

There cannot be any doubt regarding the need to consider the fall as serious and the necessity to examine the reasons in depth in order to restore it to above 50. It is also necessary to monitor the response from various sectors of trade, commercial, and industrial to assess the impact of the GST and rectify any problems.

TR Anandan Coimbatore

GST, GDP and the common man

The argument put forth by the government that GST will increase

the country's GDP is naive, as tax added to production will by all means enhance the GDP at market prices. But, it cannot enhance people's welfare. GDP is a mere number.

In India, the interests of the common man are always taken for granted. That the government cut small savings rates by 10 basis points for the second quarter on Friday is yet another example of the salaried and senior citizens getting the raw deal.

S Ramakrishnasayee Ranipet

Tax all income

Regarding 'Economic Survey 2.0 to argue case against farm loan waiver', a soft approach is definitely needed but not to the extent of loan waiver, indiscriminate fund availability, concession, exemption, and so on.

Often, with the alibi of agricultural income, many rich farmers

escape tax. In fact, if the aggregate of all disclosed agricultural income has to be assessed, perhaps it may be much more than the actual value of agricultural produce. A more rational approach is needed. To increase the tax payer base, there is a simple but effective way. Instead of having slabs in IT rates from nil to 5 or 20 or 30 per cent, the Finance Minister as well as the IT department can tweak the tax slab or collect IT at a progressive rate starting from about one per cent and go up to 30 per cent or so, depending on the income level, without complicated exception, exemption, relief, etc.

All income should attract tax, however small it may be. This is in line with taxing gain on sale of securities through Securities Transaction Tax, already in vogue for capital market financial transactions.

Vazuthur Raghavan Bengaluru

Quixotic deal-maker

A good bargain, not ideology, appeals to Trump

C GOPINATH
AMERICAN PERISCOPE

Bargaining comes in two broadly different styles. In one, the buyer would praise the product, and regret that although he likes it very much he cannot really afford it, and then make a low 'best' offer. Let us call this the cooperative style. In the more common approach, you begin pretending that the item is not really what you need, comment on its deficiencies, pretend you are walking away, and then casually inquire what it would cost you. This is certainly a confrontational style.

US President Trump has promoted himself as a deal-maker. He even has a book out on the subject. Look at some of his major actions or pronouncements recently. He has made it very clear that Mexico, a US ally, has had the better of the trade agreement and he has called the NAFTA a 'disaster' and would work to overturn it. He wants to build a wall and make Mexico pay for it. Mexico is smarting under all the negativity, but is not making a counter offer.

Trump said he did not like the transnational trade agreement (TPP) and promptly withdrew from it. No deal here. He does not believe in the science or concept of climate warming, and pulled out from the Paris climate treaty. No deal.

There are a few deals he has made. He threatened sanctions against China and called them a currency manipulator. Then, he announced he has made a deal with them (on North Korea) and that he would now love to work with China. He threatened NATO and got the members upset. A few mumbled that they would increase spending just as he wanted and he magnanimously responded that he now strongly supports NATO. Deals made.

Thus, one strong signal that he has conveyed is that he is a confrontational bargainer, will talk down the product and wait for your offer which he will quickly accept and then emerge as victorious in the deal. But the traditional and public position of the US on the global plane is more than making deals. Past presidents have worked hard to reinforce the notion of American exceptionalism and the intelligentsia sees America as the leader of the 'free world'. Even Obama, who did not want to expand US dominance (note the weak response to the Syrian crisis) at least maintained an overarching leadership of the US in global affairs. The TPP and Paris climate treaty are both examples.

Trump is not too concerned with America's position in the world. He has come at the right time for China's growing ambitions to mark its place in the world. And with the One Belt One Road project, China has signalled that it will spend its money to win friends and influence. Globalisation's champion has shifted from America to China.

For those who have to work in and with the US, Trump presents a puzzling situation. What deals will he make and what won't he? Patterns are beginning to emerge. There are no principles that seem to underlie his actions, only if it is an attractive deal. Perhaps he withdraws from any deal possibility if there is no single party to make him a counter-offer. Isn't that how it is in real estate, a business he understands?

For businesses which have to decide where to invest over the long term, the uncertainty will be costly. What will the US taxation policy be? Who will the US do trade deals with? But for leaders of countries who want to score with the US he presents an opportunity. Ignore rhetoric and make an offer.

The writer is a professor at Suffolk University, Boston.



'Digital India', a double-edged sword

It has not really worked as a promising option for the socio-economically disadvantaged

KATHRYN ZYSKOWSKI
INDIA IN TRANSITION

In summer 2015, Prime Minister Narendra Modi delivered the inaugural speech for the launch of Digital India, his programme to "transform India into a digitally empowered society and knowledge economy". In the speech, Modi announced that "IT + IT = IT" or, as he elaborated, "Indian Talent + Information Technology = India Tomorrow."

Modi went on to say that technology is the most important thing India should teach its children. While only 35 per cent of India is currently connected to the Internet, the country has garnered attention in recent years for the widespread adoption of low-cost mobile phones and the surprising availability of technical training, much of which is found at ubiquitous small private computer training centres. My research — focused on such institutes — shows that they not only open doors for opportunity but also for increased risk, especially for marginalised students.

Sketchy skills
India's focus on technical fluency in pursuit of economic progress is not new. It has its roots in the Nehruvian technical vision of the nation. An integral part of these plans, dating back to the 1960s, has been its institutes of technical education. The most famous, the Indian Institutes of Technology or IITs, rank among the best universities in the world and regularly send their alumni to work at tech giants worldwide. However, the percentage of students who receive this stellar public education is infinitesimal. Moreover, and partially as a result, those who have made it in the IT industry are overwhelmingly Hindu, upper caste, and upper class, as several recent studies have shown.

Eschewing the elite institutions

and large tech companies that dominate scholarship on IT in India, I conducted fifteen months of ethnographic research at two institutes in two neighbourhoods in Hyderabad from 2014-16. By "basic computer training centre," I refer to institutes that offer one to six-month courses in basic technical skills related to computing; typing skills, Microsoft Office, up to an introduction course on basic accounting software. These computing courses are distinct from those that teach higher-level skills such as web development. Courses such as these have become pervasive and are attended mainly by students hailing from lower socio-economic strata who complete these certificates in addition to, or alongside, their college degrees. These students have been told — implicitly and explicitly — that a certificate verifying computer skills would be necessary for many entry-level jobs. These courses are run by mom-and-pop shops, NGOs, and larger corporations. Given the wide variety of management, these institutes vary widely in quality, and quality control is crucially important. Although they abide by government-regulated curriculum, the teaching styles, career mentoring, and social networking vary drastically among institutes.

Discrimination underscored
One reason these certificate courses have boomed is the proliferation of private colleges and the subsequent dilution of college degrees. The history of the privatisation of colleges in Hyderabad is crucial to understanding the emergence and prominence of these basic training institutes, as well as the ways in which class, religion, caste and gender shape higher education and the job market. Many students I met in these centres were concomitantly pursuing their engineering degree or had just received their degree. While I was at first surprised that,



A mixed bag Quality control of computer centres is important PV SIVAKUMAR

after receiving a Bachelors in Technology, training at a small institute would be necessary, it soon became clear that, outside of degrees garnered from elite institutions, this was often the case.

My research in Hyderabad illustrated that in addition to being able to type and create a poster with different fonts, other skills such as being able to sift fact from fiction and look up information on the Internet are equally important for marginalised groups to be able to navigate today's world and job market. An ideology of computer education assumes that it will better the economic and social well-being of anyone who acquires such skills, but we know that job markets are intensely social and uneven — and my research shows how students' knowledge of technology at times heighten the experiences of gender, religion or caste, rather than erase them. This was true, in part, because without other skills such as discerning information online, already vulnerable groups were at increased risk when introduced to new ways of communic-

ating and learning online.

Scammers and 'spamsters'
Take, for example, the story of Abdullah. Abdullah was a young man in his early twenties who had completed a Bachelor's in Technology, yet was one of the many who had neither much experience with computers nor any job offers. He grew up and completed college in a rural community outside the city, but came to the city for the computer-training course. Halfway through his three-month course in typing, Microsoft Office, and email, he received a job offer through his newly-setup email account. The job offer was in America and he was going to move there in a few months; he wanted me to assure him that the salary was going to be enough to support his life abroad.

I asked him to forward me the job offer email and immediately recognised it as spam. The offer was to work for a cruise ship company based out of Miami. I contacted the company and asked about the job offer; they confirmed it was false and that they were aware

of the hoax. However, Abdullah had never heard of "spam" and the misspellings and odd salary numbers didn't register as off. His college friend also received an offer and he thought, based on the high number of Indians earning tech degrees and working in America, that he too was receiving this offer. The spammers set up a fake office for the company in Delhi, to which Abdullah travelled the following month and handed over ₹50,000 for an American visa he never received. (He did, fortunately, retrieve the money later.)

The Mozilla foundation — a leading institute working on identifying and building a technical literacy curriculum — recently proposed what should be considered "21st century skills" necessary for success. This foundation broke down broad categories such as web literacy or problem solving into discrete skills. It has identified the abilities to evaluate material and protect oneself online as critical to web literacy skills, and they consider these skills essential to online reading and communication.

Abdullah's story is just one example. But it sheds light on how both quality control and broader technical literacy skills are necessary to prevent technical training from exposing already vulnerable students to increased risk. His example challenges an overly simplistic presumed direct relationship between accessing the Internet, technical education, and upward economic mobility. India needs to expand its definition of technical literacy for the 21st century and work to regulate the curricula of the ubiquitous computer training centres if it wants to equalise opportunity for all.

The writer is a doctoral candidate in sociocultural anthropology at the University of Washington. This article is by special arrangement with the Center for the Advanced Study of India, University of Pennsylvania

5 THINGS to WATCH OUT for TODAY

■ **Prime Minister** Narendra Modi is to address people of Indian origin in a community event in Israel on Wednesday. As many as 4,000 Jews from the country who are settled in Israel are expected to attend. His last such event was almost a year ago in Kenya.

■ **Mercedes** is to launch the updated GLA SUV in the Indian market on Wednesday. The refreshed GLA will compete with the BMW X1 and the Audi Q3. The model was officially unveiled at the Detroit Motor Show in January 2017.

■ **Nubia** is expected to launch the Nubia N2 in the country on Wednesday. It was officially launched globally in March. The successor to the Nubia N1 of 2016, it boasts a 5000mAh battery that is claimed to render up to 3.2 days of usage.

■ **The NDA** candidate for the Presidential election Ram Nath Kovind is to visit Bengaluru on July 5 to interact with state MPs and MLAs as he campaigns for votes in the South. BJP sources have ruled out the possibility of him seeking support from the Opposition parties, especially the JD(S) that is supporting Meira Kumar.

■ **Microsoft Inc** is planning to unveil a major reorganisation on July 5, says the *Puget Sound Business Journal*. The changes would better align the company with its cloud-first strategy, it was reported. Microsoft has been putting more focus on its Azure cloud business, which competes with Amazon Web Services cloud-computing division, the leader in the business.

A THOUSAND WORDS



Sorrow and angst Relatives cry during the funeral of rebel Jehinger Ahmad at Keller, 49 kilometers (30 miles) south of Srinagar AP

BusinessLine TWENTY YEARS AGO TODAY

JULY 5, 1997

Navaratnas given full autonomy
The Union Cabinet today cleared the autonomy package for the 'Navaratnas', the nine top public sector undertakings (PSUs), granting them full financial and managerial autonomy. The package allows the nine PSUs the freedom to incur all capital expenditure without any monetary ceiling, to raise debt from the domestic or international market and to enter into technology joint ventures and wholly owned subsidiaries with equity investment up to ₹200 crores.

MFIs to disclose NAVs on daily basis
The Securities and Exchange Board of India has made it mandatory for mutual funds having open-ended equity schemes to disclose their NAVs on a daily basis from July 15, 1997. SEBI officials today discussed with representatives of the Association of Mutual Funds in India, several points and decided on a time-bound action plan on issues such as disclosure about key personnel employed by the funds, compliance report and the regular reports to be submitted to SEBI by the funds.

Imports made easier
The Government today simplified procedures for import of goods by permitting importers to file their documents for clearance of import consignment 30 days prior to the expected date of arrival of the vessel or aircraft carrying such goods. The simplified procedure also allows importers to present their documents against cargo coming in mother vessels bringing goods from ports of loading to intermediate ports without waiting for details of the feeder vessel which ultimately brings goods to the Indian port.

EASY

ACROSS

- 01. Get into a flap (5)
- 04. Destroys paper, contract etc (5,2)
- 08. Outlaw of Sherwood Forest (5,4)
- 09. Importune one for payment (3)
- 10. Creates a state of confusion (7)
- 12. Gainsay (4)
- 14. Malicious rumour (7)
- 17. Out of the place in question (4)
- 18. Acrid, sharp to taste (7)
- 20. Mineral aggregate (3)
- 21. Shirt; biscuit; Italian patriot (9)
- 23. Drudgery (7)
- 24. Spray-like ornament (5)

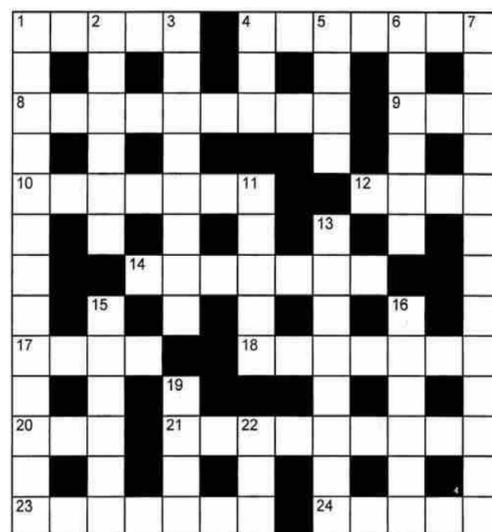
DOWN

- 01. Baby carriages (13)
- 02. Person of no account (6)
- 03. Battle, struggle (8)
- 04. Also (3)
- 05. Helps (4)
- 06. Unexpected, without warning (6)
- 07. Early form of bicycle (5-8)
- 11. First light (3-2)
- 13. Hemp, hashish (8)
- 15. Judge's private chamber (6)
- 16. Bank clerk (6)
- 19. S-curve in architecture (4)
- 22. Narrow beam (3)

SOLUTION: BL Two-way Crossword 885

- ACROSS 2. Khaki 5. Tact 7. Mead 8. Offering 9. Ascended 11. Boys 12. Campanologist 15. Cool 17. Adhesive 19. Decision 21. Bone 22. Envy 23. Greed
DOWN 1. Chelsea 2. Kid 3. AVOID 4. Infidel 5. Tar 6. Candy 10. Expel 11. Bogus 13. Nearing 14. Savants 16. Ocean 18. Hence 20. Ivy 21. Bed

BL TWO-WAY CROSSWORD 886



NOT SO EASY

ACROSS

- 01. Fear of father going to prison endlessly (5)
- 04. Puts ear to use as one destroys contract (5,2)
- 08. Legendary hero took bird on bonnet of American car (5,4)
- 09. Mouse-coloured in the raw, doesn't quite make a comeback (3)
- 10. Confuses one with odd loss of head when in slippers (7)
- 12. Declare it's not true one half made it to the Big Apple (4)
- 14. A breath of it may be exhaled by its monger (7)
- 17. A method of being played on the opponents' ground (4)
- 18. Acrid as taste of first gooseberry in punnet perhaps (7)
- 20. Seaweed to be found in the pocket of a Scandinavian (3)
- 21. Biscuit made with lard — a big one, it turns out (9)
- 23. It's hard work, Ravel's variations on Debussy finale (7)
- 24. Grips a form of ornamental spray (5)

DOWN

- 01. Our marbles, apt to be got rolling in bassinets (13)
- 02. What model of head and shoulders has for one of no account (6)
- 03. Be at odds with C-in-C, loft conversion (8)
- 04. Almost accepted that as well (3)
- 05. Helpful things, said to be adaptable (4)
- 06. Nudes disporting round top of dunes without warning (6)
- 07. Only half of a twopenny-ha'penny conveyance from the past (5-8)
- 11. Early in the day gent leaves 18 to us to sort out (3-2)
- 13. Is able to pinch it and is narcotic (8)
- 15. It can take America one left in a state of confusion (6)
- 16. He may inform one he counts, in banking circles (6)
- 19. Take egotistical turn revealing double-curve (4)
- 22. Really appreciate yummy starters of fish (3)