



The Speaker, Lok Sabha, Shri Om Birla, the Union Minister for Parliamentary Affairs, Coal and Mines, Shri Pralhad Joshi, the Minister of State for Parliamentary Affairs and Heavy Industries & Public Enterprises, Shri Arjun Ram Meghwal and the Secretary, Ministry of Parliamentary Affairs, Shri S.N. Tripathi at the Orientation Course on 'Parliamentary Procedures and Practices' for Assistant Secretaries, at Parliament House Annexe, in New Delhi on July 17, 2019.

Recovery under IBC higher at 43%

Mumbai:

Recovery by financial creditors has seen a significant rise after the Insolvency and Bankruptcy Code kicked in compared with the previous recovery regimes like Debt Recovery Tribunal, Lok Adalat and SARFAESI Act, the Economic Survey for 2018-19 pointed out. Between 2007 and 2017, recovery from all those other sources was 23% while the same was 43% under the IBC between 2017-19. These earlier mechanisms have resulted in an average recovery of 23% to lenders as against nearly 43% under the IBC, the Survey said.

The overall recovery in resolved cases is nearly Rs74,497 crore for the financial creditors, which is 194% of the liquidation value. The IBC was introduced to tackle the stressed asset problem of banks that almost touched close to Rs13 lakh crore by the end of March 2018. The financial creditors have been provided with greater role and powers through the committee of creditors under the IBC process. The Survey further noted that the IBC had made a tectonic shift in the dynamics between lender and borrower, promoter and creditor, it added.

RBI can supersede NBFC Board

New Delhi:

The non-banking finance companies that are facing a crisis of confidence saw a slew of measures from the budget to restore investors' confidences in the sector.

The Reserve Bank of India also stepped in its announced additional liquidity support to the sector through banks to the tune of Rs 1.34 lakh crore, after the Finance Minister concluded her budget speech.

The government has decided to give more powers to the central bank to regulate the non banking

finance companies and the regulator will have the power to supersede the board of the shadow banks, apart from those owned by the government.

According to the Finance Bill, if the RBI is satisfied that in the public interest or to prevent the affairs of an NBFC being conducted in a manner detrimental to the interest of the depositors or creditors, the board can be superseded for maximum five year and an administrator can be appointed.

The RBI will also relegate housing finance companies

Govt sets record high CPSE stake sale target of Rs 1.05L cr

New Delhi: The Government will initiate privatisation of CPSEs, including Air India, as it sets a record high disinvestment target of Rs 1.05 lakh crore that will see the Government lowering its stake in some CPSEs to below 51 per cent.

While strategic sale will entail outright privatisation in some CPSEs, the Government's direct holding can be brought down below 51 per cent but the effective control will remain with the Government after considering holding of other State-owned entities, like Life Insurance Corporation.

Presenting the Budget 2019-20, Finance Minister Nirmala Sitharaman said the Government has been following the policy of disinvestment in non-financial public sector undertakings maintaining the Government stake not to go below 51 per cent.

The Government has set an all-time high disinvestment target of Rs 1.05 lakh crore, up from Rs 90,000 crore projected in Interim Budget 2019-20 in February.

In 2018-19, the Government raised Rs 84,972 crore from CPSE disinvestment, while in 2017-18, the figure was Rs 1,00,056 crore.

BIZ NEWS IN NUTSHELL

Govt. slaps 10% customs duty on newsprint

New Delhi:

The government imposed ten per cent import duty on newsprint and five per cent import duty on printed books. There was no import duty on newsprint so far.

To encourage domestic publishing and printing industry, 5 per cent custom duty is being imposed on imported books, Finance Minister Nirmala Sitharaman said while presenting the Union Budget for 2019-20 in the Parliament.

Under this, printed books including covers for printed books and printed manuals, will attract duty.

In addition, imported newsprint, uncoated paper used for printing for newspapers and lightweight coated paper for domestic publishing and printing industry, 5 per cent custom duty is being imposed on importer used for magazine will now attract ten per cent custom duty.

This decision is expected to have a significant impact on the industry as most of India's newsprint requirements are met through imports.

Yes Bank gets 9.47% stake in Eveready

Mumbai:

Yes Bank has acquired 9.47% stake in Eveready Industries by invoking pledged shares, the lender informed the exchanges.

The pledged shares were invoked since one of the group companies, McLeod Russel, defaulted.

Shares have been acquired pursuant to invocation of pledge of shares of Eveready Industries India Limited subsequent to default/breach of terms of credit facilities sanctioned by Yes Bank to McLeod Russel India Limited which is a group company of BM Khaitan Group, Yes Bank said.

Eveready Industries a part of the BM Khaitan Group is engaged in FMCG segment with product portfolio comprising batteries, flash lights and lighting products, among others. It had a consolidated turnover of Rs1,541.86 crore in FY 2018-19 and Rs1,494.99 crore in FY 2017-18.

PNB reports over Rs. 3,800 crore fraud by Bhushan Power & Steel

New Delhi:

Public sector lender Punjab National Bank said on July 6 it has detected a fraud of more than Rs 3,800 crore by Bhushan Power & Steel Ltd. and has reported it to the Reserve Bank of India.

PNB said Bave been acquired pursuant to invocation of pledge hushan Power & Steel Ltd. misappropriated bank funds and manipulated its books of accounts to raise funds from consortium lender banks.

On the basis of forensic audit investigation findings and CBI filing FIR, on suo moto basis, against the company and its directors, alleging diversion of funds from banking system, a fraud of Rs 3,805.15 crore is being reported by bank to RBI, Punjab National Bank said in a regulatory filing.

It has been observed that the company has misappropriated bank funds, manipulated books of accounts to raise funds from consortium lender banks. At present, the case is at NCLT which is in advance stage and the Bank expects good recovery in the account, PNB added.

PNB said the bank has already made provisions amounting to Rs 1,932.47 crore, as per prescribed prudential norms, for the BPSL account.

PNB said its domestic exposure to Bhushan Power & Steel Ltd. stood at Rs 3,191.51 crore and overseas exposure of USD 49.71 million approx Rs 345.74 crore at Dubai branch and USD 38.51 million approx. Rs.267.90 crore at Hong Kong branch.

The state-run bank has reported a new fraud at a time when it is recovering from a major financial embezzlement of around USD 2 billion around Rs 13,000 crore by diamond merchant Nirav Modi that was reported in February 2018.

Modi allegedly acquired fraudulent letters of undertaking from one PNB's branches for overseas credit from other Indian lenders, and is being probed by CBI and Enforcement Directorate among other agencies.

Little impact on inflation from fuel hike

New Delhi:

Finance Secretary Subhash Chandra Garg on Saturday said the increase in petrol and diesel prices after the duty hike would have very marginal impact on inflation and any worry on that front was immaterial.

He also said the government expected Rs90,000 crore from the Reserve Bank of India as dividend in the current fiscal.

Post the rise in fuel taxes announced in the Budget, petrol and diesel prices rose by at least Rs2.4 and Rs2.36 a litre respectively across metro cities.

Any increase in tax does have some implications for inflation but we are currently at such a low rate, it will have no impact or very marginal impact, Mr. Garg said.

TCS April-June consolidated net profit rises 10.8% to Rs8,131 crore

Bengaluru:

Tata Consultancy Services Ltd. on July 9 reported a 10.8% rise in its first-quarter profit, helped by a strong performance in its key banking, financial services and insurance segment.

The Mumbai-headquartered company said its net profit for the quarter ended June 30 rose to 81.31 billion rupees from 73.40 billion rupees a year ago.

Analysts on average had expected the company to report a profit of 78.24 billion rupees, according to Refinitiv data.

TCS posted 11.4% rise in revenue.

PNB shares drop over 11% after BPSL fraud case

New Delhi:

Shares of Punjab National Bank dived over 11 per cent after the company detected a fraud of more than Rs 3,800 crore by Bhushan Power & Steel Ltd.

The scrip tanked 11.19 per cent to Rs 72.60 on the BSE. At the NSE, shares of the public sector lender dropped 11.24 per cent to Rs 72.60.

PNB said Saturday Bhushan Power & Steel Ltd. misappropriated bank funds and manipulated its books of accounts to raise funds from consortium lender banks.

On the basis of forensic audit investigation findings and CBI filing FIR, on suo moto basis, against the company and its directors, alleging diversion of funds from banking system, a fraud of Rs 3,805.15 crore is being reported by bank to Reserve Bank of India.

It has been observed that the company has misappropriated bank funds, manipulated books of accounts to raise funds from consortium lender banks. At present, the case is at NCLT which is in advance stage and the Bank expects good recovery in the account, Punjab National Bank said.

Fiscal deficit target revised downwards to 3.3%

New Delhi:

The government is estimated a fiscal deficit of 3.3% of GDP in financial year 2019-20 lower than the 3.4% estimated earlier in the interim Budget presented in February.

The main reason for this is an increase on the revenue side, while expenditure is being controlled, Finance Secretary Subhash Chandra Garg said. Ratings agencies and tax analysts say there is a risk of missing the 3.3% target if tax revenue falls short of the target.

This fiscal deficit target has been very carefully considered, Mr. Garg said at a press conference following

the presentation of the Budget by Finance Minister Nirmala Sitharaman. On the revenue side, as compared to the actual of 2018-19, direct taxes have been budgeted to increase only by 17.5% as against 23-24% earlier.

Indirect taxes are going up by only 15 per cent, Mr. Garg added. This brings realism to it. It also includes the effect of the excise duties and the income tax measures, so this is very realistic. There is also an increase in the non tax side as we are expecting more dividends.

On the expenditure side, he said, the amount budgeted is more or less the

same as in the interim Budget. All of this put together gives us a saving of about Rs 6000 crore as compared to the interim budget, he said. That brings down the fiscal deficit to 3.3% from 3.4%.

The government is aiming to lower the Central government deficit to 3.3% of GDP in fiscal 2020 from 3.4% in fiscal 2019, Gene Fang, Associate Managing Director, Sovereign Risk Group, Moody's Investors Services, said in a note. To achieve this goal, it is relying on one off disbursements income, as well as higher taxes on the rich, and increased excise duties on petrol, diesel, previous met-

als and tobacco products. There is a risk that India could miss its deficit target, if income from the tax revenue underperforms, as it did last year, Mr. Fang added.

The government has budgeted a higher disinvestment target for 2019-20 of Rs 1.05 lakh crore, compared to the Rs 80,000 crore budgeted in the previous year. Apart from this, Mr. Garg said, the government had budgeted a dividend from the Reserve Bank of India amounting to about Rs 90,000 crore.

The data presented in the Economic Survey released shows that there is

a risk of tax revenue falling well short of expectations if the trend in 2018-19 is maintained. While the government predicted a total revenue of Rs 17.2 lakh crore in its revised estimate for 2018-19, the data in the Survey showed this was actually Rs 1.6 lakh crore lower. The bulk of this reduction in collections was due to tax receipts falling well short of the mark.

Notably, the government has cut the allocations for several major schemes. Most significant of these is the Rs 434 crore cut for the Swachh Bharat Scheme.

Discount broking taking equity culture across the country

New Delhi:

Discount broking firms are helping in spreading the equity culture in the country with most first-time investors, especially millennials opting for such technology-based platforms, says Prakash Gargani, chief executive officer, 5paisa.com. Excerpts from an interview:

How do discount brokerages make money when they charge negligible fees? Discount broking companies generate profits by keeping their cost low and scaling up in terms of customers. Our maximum cost is on acquiring new customers. We do not have relationship managers. Everything is available for the customers on the app. We do 99.9% of the work on the app while the rest 0.1% of the work is that which necessarily needs human intervention. So, we are on the extremely low cost model and that's how our working model will be.

Plus, scalability is infinite. We have gained more customers organically than any dedicated campaign as such because people use, share it and then they ask their friend to do the same. How easy is the onboarding exercise for investors? The customer just needs to download and open our app and the first thing is account opening. We do not take any physical documents as we accept the pictures of the documents of the customer. For KYC, we take PAN card and Aadhaar card. We have made the processes smooth; we only require the pictures and no bank proof. If the customer has all the documents in place, he can start trading within 45 minutes of the onboarding process.

Is it true that most new investors prefer discount broking compared with full service entities? While we have seasoned traders as well as our clients, 80% of our customer base is young and less than 35 years in age. There has been a change in investor behaviour as well. The old customers would expect

the broking company to call them many times during the day to give an update on the stocks. But now, people don't prefer getting such calls. They just open the app and get the information.

Do you mean that discount broking firms are spreading the equity culture across the country? Absolutely. We are expanding the market. Initially, stock broking was concentrated in Mumbai, Gujarat, Delhi, Bangalore, Rajkot, Ahmedabad, but now we have acquired customers from almost every corner of the country. Rather, we don't focus on these markets because they are over saturated.

It is often said that discount broking is for seasoned traders and not the investor who might occasionally put in a trade or two. I think that is a myth to bust. It's a no-brainer for a high ticket trader that he will save tons of money but even for a small investor, cost remains cost. Secondly,

negatively impact India's gold industry and will impede efforts to make gold as an asset class, particularly when gold prices are already rising globally.

India is one of the largest gold importers in the world and the imports mainly take care of demand from the jewellery sector. Gems and jewellery exports declined 5.32 percent to USD 30.96 billion in 2018-19. The country's gold imports dipped about 3 percent in value terms to USD 32.8 billion during 2018-19. Dip in the imports expected to keep a lid on the current account deficit.

Total imports of the precious metal in 2017-18 had stood at USD 33.7 billion as against USD 27.5 billion in 2016-17 and USD 31.8 billion in 2015-16.

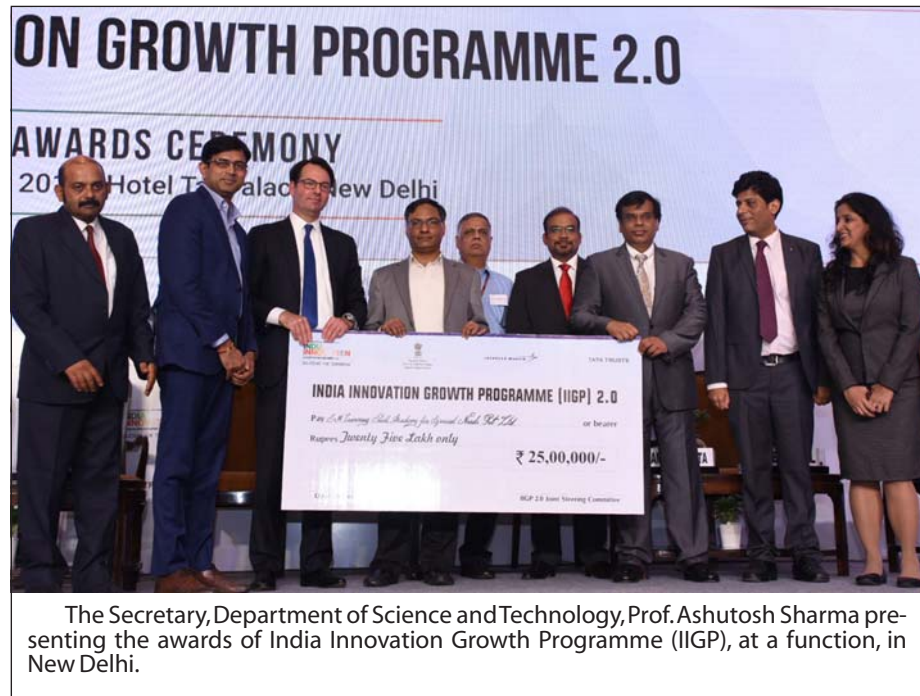
Now, only the identity of the investor and source of income needs to be proven. This is fair and a straight-forward process. It will reduce arbitrariness and prevent unwanted harassment, he added. Angel tax is levied at 30%, when a privately-held company raises funds at a rate higher than its fair valuation it was initially introduced in 2012 in a bid to curb money laundering via SMEs. Under the IT Act, Section 56(2)(viib), money invested by angels in a company was treated as income from other sources. The issue of estab-

lishing the identity of the investor and source of his funds would be resolved by putting in place a mechanism of e-verification. With this, funds raised by start-ups would not require any kind of scrutiny from the Income Tax Department, said the Finance Minister.

The Budget proposal to address the thorny 'angel' tax issue comes as a major respite to start-ups and investors alike. K. Ganesh, a Bangalore-based serial entrepreneur and partner, GrowthStory, said that the draconian devil tax has been comprehensively including some relief for pending cases that were causing lot of angst. One of the best moves is the delinking of calculation and the justification of share premium since deciding a premium is not an exact science, and it is impossible to justify.

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The Secretary, Department of Science and Technology, Prof. Ashutosh Sharma presenting the awards of India Innovation Growth Programme (IIGP), at a function, in New Delhi.

Delinking calculation, justification of share premium is welcome

Bengaluru:

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RBI to discuss with govt issuance of sovereign bonds: Das

New Delhi: Reserve Bank Governor Shaktikanta Das said the central bank will discuss issuance of overseas sovereign bonds with the government.

After the customary post-budget meeting with Finance Minister Nirmala Sitharaman, he said the system has sufficient liquidity and the Budget for 2019-20 has made provision for shadow banking sector.

We are monitoring NBFCs and their operations at regular intervals, he told. He said Budget provision of Rs 70,000 crore towards bank capitalization is a very positive development that will help lenders not just comply with the regulatory requirement but also step up banking.

On interest rate transmission, he said it used to take up to six months for an interest rate cut to be transmitted to consumers but things have improved, and now it is taking shorter time, he said. Of the 50 basis points cut in interest policy, about 21 basis points had been transmitted, he said, hoping better transmission of interest rate cuts in coming weeks and months.

VINYOFLEX LIMITED

Regd. Off: 307, Silver Chamber, Tagore Road, Rajkot - 360 002.
CIN : L25200GJ1993PLC019830
Ph. : 0281-2468345, 2468776
Fax : 0281-2468839
Web site : www.vinyoflex.com
E mail : info@vinyoflex.com

NOTICE

Pursuant to Regulation 29 read with Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 (Listing Regulations) Notice is hereby given that a meeting of the Board of Directors of the Company will be held on 30th July 2019, Tuesday at 04.00 P.M. at the registered Office of the Company for taking on record of the audited Financial Results for the year/ quarter ended on 30th July 2019.

This information is also available on the company's website at : www.vinyoflex.com and on website of the Stock Exchange i.e. BSE Website at : www.bseindia.com

by Order & behalf of the Board of Directors for Vinyoflex Ltd.
CS. Hetal Lodhiya
Company Secretary & Compliance Officer

Place: RAJKOT
Date: 22-7-2019

Hike in gold duty will make businesses shift to other nations

New Delhi:

The gems and jewellery exporters on July 6 expressed disappointment over significant increase in the import duty on gold and other precious metals saying the move would result in shifting of businesses to neighbouring countries.

Gems and Jewellery Export Promotion Council Chairman Pramod Agrawal said that as an industry are greatly disappointed with the increase of import duty on precious metal, gold and silver.

He said that the sector is already going through very tough times with decline in exports and job losses.

According to industry experts, the decision could lead to increase in smuggling of the yellow metal in the country.

In the Budget 2019-20, the government proposed to raise the import duty on gold and other precious metals from 10 percent to 12.5 percent.

Agrawal said they had in fact urged the government to cut the import duty as it is an important raw material for the sector.

The government's move will result in growth of business in neighbouring countries as the foreign tourists will stop buying jewellery from here and processing of larger diamonds will shift to competing countries like China, Vietnam, he said. He added that exporters would again urge the government to review the decision.

World Gold Council India Managing Director Somasundaram PR has said the import duty hike will