

# Centre proposes liberalised expense mechanism

There will not be any grouping of Central govt ministries/depts for cash management



Agencies are predicting lower revenue collection this fiscal on account of the pandemic

SHISHIR SINHA

New Delhi, May 17

The Finance Ministry proposes liberalised cash management even as some of the agencies are predicting lower revenue collection this fiscal on account of the pandemic. There will not be grouping of the Central government ministries/departments for cash management. Also, the ministries will not have to follow any limit on monthly or quarterly expenditure for the first three quarters.

It may be noted that during FY2020-21, the government had brought in a system,

wherein barring a select group of ministries/departments such as Health, Pharmaceutical, Defence, Consumer Affairs, Fertiliser, etc, all had to face expenditure curbs during the first two-and-a-half quarters.

“We will go with the 2017 Office Memorandum (OM) of cash management system,” a senior Finance Ministry official told *BusinessLine*.

Another official explained that based on the said OM, each of the Central govern-

ment ministry/department can have monthly and quarterly expenditure plans according to their own requirement for April-December period and submit it to the Finance Ministry.

“Total expenditure should be 67 per cent of budget allocation of the entire fiscal during the first nine months,” he said. The said circular prescribes a limit of quarterly expenditure of 33 per cent in the last quarter (January-March) and 15 per cent in March. “Practically, this is the only quarter where the Finance Ministry has a say,” he said.

The Finance Ministry has already exempted capital expenditure for the current fiscal from the said OM. On April 22, the Ministry issued another OM saying that the monthly and the quarterly expenditure ceilings and restrictions will not be applic-

able under the ‘capital heads’ in the budget. “These relaxations shall take immediate effect and shall apply until further orders,” it said.

## Budget plan

Out of the total budget of ₹34.83-lakh crore, the government proposes to spend over ₹29-lakh crore under revenue head and remaining ₹5.54-lakh crore under the capital head. Out of this, more than ₹44,000 crore will be provided for projects/programmes/departments that show good progress on capital expenditure and are in need of further funds. The Finance Ministry, on April 22, said it aims to boost the capital expenditure, which helps create more assets and encourages higher spend by the private sector.

The Finance Ministry’s stance has come at a time

when agencies such as Moody’s and S&P have projected some shortfall in revenue and higher fiscal deficit.

According to Moody’s, the renewed surge in the virus could contribute to a marginal shortfall in revenue and a redirection of spending toward healthcare and virus response relative to what the government budgeted in February. Accordingly, it upped a wider general government fiscal deficit to 11.8 per cent of GDP in FY2021-22 from its previous forecast of 10.8 per cent and an estimated 14 per cent in FY2020-21.

While S&P said, “In both the moderate and severe downside scenarios for the Indian economy, there is a risk that the fiscal deficit would be higher than our forecast 11.4 per cent of GDP this year, which could push the debt stock slightly higher still.”

# CAIT asks govt to check ‘malpractices’ of foreign e-commerce companies

Says actions of players contrary to the provisions of the FDI policy



The most rampant, subsisting violation is by Amazon and Flipkart, CAIT claimed

OUR BUREAU

New Delhi, May 17

The Confederation of All India Traders (CAIT) has asked the government to immediately issue new rules related to Foreign Direct Investment (FDI) for e-commerce to check ‘malpractices’ of foreign-funded entities.

CAIT has written to the Commerce & Industry Minister Piyush Goyal seeking the immediate issue of a new Press Note replacing Press Note No.2 of FDI Policy, 2018, to protect domestic traders from the alleged malpractices of foreign funded e-commerce entities Amazon

and Flipkart, according to a press statement circulated by the traders’ body.

Despite various solemn declarations made by the Minister on various public platforms stating that no one will be allowed to violate the policy and the law, these foreign-funded companies are continuing to flout FDI policy and the law for the last three years and no action has been taken against them, the note charged. It ac-

cused in the release, “Several actions of various e-commerce companies are absolutely contrary to the provisions of FDI policy..”

## ‘Capital dumping’

The most rampant and subsisting violation by Amazon and Flipkart, CAIT claimed, has been the creation of a complex web of affiliated entities, by way of equity control or economic participation which has allowed both entities to engage in capital dumping, it alleged. Preferential treatment to a ‘few preferred sellers’, predatory pricing, deep discounting, controlling inventory and making e-commerce an area of uneven level playing field are some of the tools of violations which have been brought to the notice of the government several times, it added.

# Federal Bank Q4 net profit up 58.6%

For the full fiscal, the bank’s profits rises 3.08 per cent



OUR BUREAU

Mumbai, May 17

Federal Bank recorded its highest ever quarterly net profit of ₹477.81 crore in the quarter ended March 31, 2021 on the back of lower provisions and robust growth in net interest income.

On an annual basis, the net profit has increased 58.6 per cent compared to ₹301.23 crore in the fourth quarter of 2019-20.

For the full fiscal 2020-21, Federal Bank reported a 3.08 per cent increase in its net profit to ₹1,590.30 crore as against ₹1,542.78 crore in 2019-20.

Its net interest income grew 16.8 per cent to ₹1,420.37 crore in the fourth quarter of 2020-21 versus ₹1,216.02 crore in the same

period in the previous fiscal. Net interest margin increased by 19 basis points on a year-on-year basis to 3.23 per cent in the fourth quarter last fiscal.

Other income however, fell 34.5 per cent to ₹465.37 crore in the January to March 2021 quarter versus ₹711.11 crore in the same period last in the previous fiscal.

## Gross NPAs

Provisions fell 57.3 per cent to ₹242.33 crore in the fourth quarter of 2020-21 as against ₹567.5 crore a year

ago. Gross non performing assets rose to ₹4,602.39 crore or 3.41 per cent of gross advances as on March 31, 2021 as compared to 2.84 per cent a year ago. Net NPAs eased to 1.19 per cent of net advances as on March 31, 2021 from 1.31 per cent as on March 31, 2020.

Total deposits increased 13.4 per cent on an annual basis to ₹1.72-lakh crore as on March 31, 2021 while gross advances increased 8.6 per cent to ₹1.34-lakh crore.

“Gold loans continue to register a staggering growth, reaching ₹15,816 crore from ₹9,301 crore, registering a growth of 70.05 per cent,” Federal Bank said in a statement on Monday.

Total restructuring under the Covid-19 specific framework was ₹1,409 crore.

Shyam Srinivasan, Managing Director and CEO, Federal Bank, said the lender has received restructuring

requests for about ₹100 crore under the Resolution Framework 2.0.

## Appointments

On his reappointment as MD and CEO, Shyam Srinivasan said an application has been sent to the Reserve Bank of India.

Meanwhile, the bank’s board has approved the appointment of Venkatraman Venkateswaran who is currently working as Group President, as Chief Financial Officer.

Ashutosh Khajuria, Executive Director, who was also the CFO, will be responsible for Treasury, Credit and Collections, and Strategic initiatives and will establish the ESG journey of the bank.

The board has also recommended payment of final dividend of ₹0.70 per equity share, which will be payable after shareholders approval in the annual general meeting.

# Pine Labs raises \$285 m in new funding round

OUR BUREAU

New Delhi, May 17

Pine Labs, a merchant commerce platform, has announced the completion of first close of its ongoing funding round, raising \$285 million from public market cross-over investors, including Baron Capital Group, Duro Capital, Marshall Wace, Moore Strategic Ventures and Ward Ferry Management.

In this oversubscribed round, in addition to primary proceeds, Pine Labs enabled secondary transactions for its founder, employees and early shareholders. Discussions are on to raise another \$100 million in this round, it is learnt. Cross-over investors are those that typically invest in public markets as well as in private companies that are close to IPO stage.

“This is an exciting phase in our journey as we enter newer markets. We excel in enterprise merchant payments and now

want to scale new frontiers in the online space as well, at the same time continue to power the credit and commerce needs of our offline merchant partners,” B Amrith Rau, CEO, Pine Labs, said in a statement.

## ‘Tech transformation’

Amit Rajpal, CEO & Portfolio Manager of Marshall Wace Asia, said in a statement: “We are excited to be part of the technological transformation that Pine Labs is driving on the ground in payments, and the multiple interlinkages and efficiencies it is able to create by providing faster, cost-effective consumer access to a broader range of financial products such as BNPL (Buy Now, Pay Later), where it is driving a pioneering effort on behalf of the financial system. We are also excited about an Indian business being able to drive regional and potentially global adoption of its Intellectual Property.”

# Pratt & Whitney delivers 1,000th aircraft powered by GTF engines

OUR BUREAU

Hyderabad, May 17

Pratt & Whitney, a division of Raytheon Technologies Corp, delivered 1,000th aircraft powered by GTF engines.

GTF engines power three aircraft families in service today – the Airbus A320neo, Airbus A220 and Embraer E-Jets E2. Powering 54 air-lines, GTF engines have saved more than 490 million gallons (1.8 billion litres) of fuel and avoided over 4.7 mt of carbon emissions, while accumulating more than 8.9 million engine flight hours of experience, the company said in a statement.

## Orders galore

As an engine of choice for more than 80 customers, it has orders and commitments for over 10,000 engines.

“GTF-powered aircraft have in-

troduced the world to a new era of more sustainable aviation with reductions in emissions and noise,” said Rick Deurloo, chief commercial officer and senior vice-president at Pratt & Whitney.

In India, GTF engines have saved more than 130 million gallons (490 million litres) of fuel, avoided over 1.3 million tonnes of carbon emissions, and gained more than 2.5 million hours of experience. In 2020, GTF engines powering the A320neo family achieved a world-class engine dispatch reliability rate of 99.98 per cent worldwide.

Pratt & Whitney also announced in 2020 that Air India Engineering Services Limited (AIESTL) will provide maintenance services in support of GTF operators in India and the surrounding region.



# Anti-dumping probe initiated on solar cell imports

DGTR accepts petition from solar makers; China, Thailand, Vietnam under scanner

K.R.SRIVATS/KUWAR SINGH

New Delhi, May 17

The Directorate General of Trade Remedies (DGTR) has initiated anti-dumping investigations on imports of solar cells and modules from China, Thailand and Vietnam.

In a notification on Saturday, the DGTR said it has accepted a petition by the Indian Solar Manufacturers Association (ISMA) to probe if material injury is being caused to the domestic manufacturing industry due to dumped imports from these countries. An anti-dumping duty will be applicable if the investigation shows that the imports from the three countries are priced below the normal value in their respective countries.

ISMA had filed the petition

on behalf of Mundra Solar Pvt Ltd, Jupiter Solar Power Ltd and Jupiter International Ltd. However, the DGTR on Saturday said Mundra Solar being a SEZ unit will not fall within the scope of domestic industry.

Reacting to the DGTR move, Dhruv Sharma, CEO of Jupiter Solar Power and member of ISMA’s General Committee member, told *BusinessLine*, “Dumping from China has been very destructive and has been eroding the cell manufacturing base in India and causing financial losses to the domestic industry.”

## Basic customs duty

At an aggregate level, import prices are 35-45 per cent cheaper than domestic prices, Sharma added. “We had filed a



legitimate case about four months ago. The DGTR reviewed our petition and has now come to the conclusion that we have a valid case,” he said.

Since then, the Centre has announced that it will impose a basic customs duty of 40 per cent on imported solar modules and of 25 per cent on imported cells from April 2022. Meanwhile, the diminished 14.5 per cent safeguard duty on imported modules and cells will come to an end in July.

ISMA has sought immediate interim relief from the DGTR as the industry looks at an eight-

month period without either the safeguard duty or the basic customs duty. “We have shared our financial books with the authorities for their investigation. We have sought interim relief immediately from the government as the investigation gathers pace during this logistically difficult period,” Sharma said.

Along with the basic customs duty protection for the domestic industry, the Central government has also launched a ₹4,500-crore Performance Linked Incentive (PLI) scheme for domestic solar manufacturing. “However, these do not eliminate the need for an anti-dumping duty,” Sharma said.

Hitesh Doshi, Chairman and Managing Director, Waree Group said that “the investigation is a step in the right direction to creating a level playing field for domestic module manufacturers.”



## TATA COFFEE LIMITED

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## NOTICE OF 78<sup>th</sup> ANNUAL GENERAL MEETING, BOOK CLOSURE AND E-VOTING INFORMATION

This is to inform, that in view of the outbreak of the COVID-19 pandemic, the 78<sup>th</sup> Annual General Meeting (‘AGM’/Meeting) of Tata Coffee Limited (the ‘Company’) will be convened through Video Conference (‘VC’) / Other Audio-Visual Means (‘OAVM’) in compliance with the applicable provisions of the Companies Act, 2013, and rules made thereunder, read with Circulars issued by the Ministry of Corporate Affairs (‘MCA Circulars’) and Securities and Exchange Board of India (‘SEBI Circulars’), in this regard.

Accordingly, the 78<sup>th</sup> Annual General Meeting of the Members of Tata Coffee Limited will be held at **11:00 A.M. (IST) on Monday, June 14, 2021** through VC/OAVM facility provided by National Securities Depositories Limited (‘NSDL’) to transact the businesses as set out in the Notice convening the AGM.

In this connection, the Shareholders may note the following:

- Notice of AGM along with the 78<sup>th</sup> Annual Report for the Financial Year 2020-21 (‘the Annual Report’) will be sent electronically to those Members whose e-mail addresses are registered with the Company / Registrar & Share Transfer Agents (Registrar) / Depository Participants (‘DPs’) and that physical copy of the AGM Notice and the Annual Report will not be sent, separately, to any Shareholder.
- The Annual Report, covering all relevant statutory documents will be available on the website of the Company at [www.tatacoffee.com](http://www.tatacoffee.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The Notice of AGM will also be available on the websites of the stock exchanges i.e. at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).
- Members can attend and participate in the AGM ONLY through the VC/OAVM facility, the details of which will be provided by the Company in the Notice of the Meeting. Accordingly, no provision has been made to attend and participate in the 78<sup>th</sup> AGM of the Company in person. Members attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Book Closure and Dividend:** The Register of Members and the Share Transfer Books will remain closed from **June 1, 2021 to June 5, 2021** (both days inclusive) for the purpose of payment of dividend. Dividend, if declared at the AGM, will be paid on or after June 17, 2021, as under:
  - to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as at the end of May 31, 2021.
  - to all Members in respect of Shares held in physical form, after giving effect to valid transfer, transmission or transposition requests lodged with the Company on or before May 31, 2021.
- The Dividend will be paid electronically, through online modes to those shareholders who have updated their bank account details with the Company’s Registrar & Transfer Agent / Depository Participants. For shareholders, who have not updated their bank account details, Dividend Warrants / Demand Drafts will be sent to their registered addresses once the postal facility is available. To avoid delay in receiving the Dividend, the Shareholders are requested to update their bank / other relevant details with the Company’s Registrar & Transfer Agent / Depository Participant(s), as applicable.
- E-Voting Instructions:**
  - Shareholders will be provided with the facility to cast their votes on all resolutions set forth in the Notice of AGM using electronic Voting system (e-voting) facility provided by NSDL, which is detailed in the Notice of AGM.
  - Voting Rights shall be in proportion to the Equity Shares held by the Members as on **Monday, June 7, 2021** (‘Cut-Off Date’).
  - Remote e-voting commences at **9.00 A.M. (IST) on Friday, June 11, 2021 and ends at 5.00 P.M. (IST) on Sunday, June 13, 2021**. During this period, Members holding shares either in physical or de-materialized form as at the Cut-Off Date may cast their votes electronically. The remote e-voting module shall be disabled by NSDL, for voting thereafter.
  - Those Shareholders, who will be present in the AGM through VC / OAVM facility and who have not cast their vote on the Resolutions through remote e-voting, shall be eligible to vote through remote e-voting system during the AGM. Shareholders who have cast their votes by remote e-voting prior to AGM may also attend / participate in the AGM through VC / OAVM, but shall not be entitled to cast their votes again.

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source (‘TDS’) from dividend paid to the Members at prescribed rates governed under the Income Tax Act, 1961 (the ‘IT Act’). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their DPs or in case shares are held in physical form, with the Company / Registrar, by sending documents through email, on or before **May 24, 2021**.

Place: Bengaluru  
Date: May 17, 2021

For Tata Coffee Limited  
**Anantha Murthy N**  
Head - Legal & Company Secretary



