

Rupee trade and its discontents

Finding alternative paths to buy oil from states under Western sanctions is stretching the government and RBI's creativity

SUBHOMOY BHATTACHARJEE
New Delhi, 18 April

Even as India and Russia discuss a free trade agreement to deepen bilateral ties, the elephant in the room is the rupee trade. This is an issue to which not just Moscow but Iran, the other partner under Western sanctions, is also seeking answers.

In the context of the new trade architecture developing in the world to bypass the US dollar, bankers and traders with whom this correspondent spoke said the most difficult aspect of taking bilateral trade out of the multilateral system of mostly dollar-denominated trade is that the rules change with each country. "Sanctions are not the problem as much as how countries are unwilling to give up their advantage," said one trader who deals with both Iran and Russia. New Delhi has limited rupee trade with some countries but these are small and preliminary deals with countries with which India runs trade surpluses.

For instance, forex-strapped Iran has agreed to treat the Indian rupee as a reserve currency, said one of the bankers involved in the bilateral trade transactions between the two countries. But Russia, now India's largest crude oil supplier, is unwilling to play ball because its forex reserves have vastly expanded.

Russia has offered to use the Chinese yuan as a reserve currency but this is not acceptable to India. Pending the settlement, some of the payments for the Russian crude have been deferred, but this is only a hiatus. The real problems will begin when the EU price cap of \$65 a barrel on Russian oil is breached, as it is bound to do soon after the OPEC Plus decision to cut production. The Ministry of External Affairs has reached out to the RBI with the same demand Indian traders have made — be a bit more creative in how rupee is traded overseas.

The Indian agreement has helped in a number of ways, including paying the salaries of those employed at the Chabahar Port. This has also eased the terms for trade between the Indian rupee and the Iranian rial. Since Moscow does not consider the rupee a reserve currency, it makes the rules that govern India-Iran banking relationship difficult to extend there. This means when an Indian trader wishes to pay his counter-party in rupees for an export to Russia, there are no fixed rules on how to go about it.

What happens when, say, MRPL, a subsidiary of state-owned oil refiner IOC, the largest importer of Iranian crude, wishes to pay for the consignment in Indian rupees? "We have to think out of the box," said a banker. The US has no problem if MRPL pays for the consignment in dollars through designated US banks because this means the US Treasury, which monitors the sanctions, can keep tabs on how much crude is being sold. So trade volumes are necessarily limited.

For the rupee payment route, MRPL has to open an account with a designated Indian bank, usually UCO Bank, headquartered in Kolkata. That works because UCO Bank has no dealings with the US. Likewise, the exporter of crude, an Iranian company, also opens an account with an Indian bank (potential problems lie in the fact that MRPL also operates through Bank of Baroda, which has US operations).

The rupee payment from the Indian importer is transferred to the account of the Iranian oil company, which then trans-



ILLUSTRATION: BINAY SINHA

THE INTERNATIONALISATION OF THE RUPEE

- India's push for rupee invoicing in international trade got momentum in Foreign Trade Policy (FTP) 2023, which proposes invoicing, payment and settlement of trade in Indian rupees
- Rupee currently accounts for a mere 2% of global currency market turnover
- Countries considering rupee trade include Russia, Saudi Arabia, Nigeria, UAE and Sri Lanka
- The first country to open a special Rupee Vostro account is Russia followed

by Sri Lanka and Mauritius

- Effectiveness of rupee invoiced trade depends on India's net trade deficit/surplus plus extent of trading in rupees in comparison to the total bilateral trade
- There is a need to reduce capital account controls and reduce inflation
- It also requires a steady rate of low import duties and flexibility in banking rules for NRI; a possible start by promoting rupee loans

fers the sum to itself in Iran. It becomes an asset of the oil company against which an Iranian bank will purchase rupees from the oil company and give it Iranian rials. The rate depends on the underlying exchange rate between the two currencies, unsurprisingly denominated in US dollars.

Then the Iranian bank buys rials from the Central Bank of Iran paying for it with the Indian rupee. The rupee now enters the Iranian central bank's balance sheet. This is held by the central bank, partly as reserve and partly to pay for the demand from other Iranian companies for rupees to pay for their imports, such as tea, rice and basic engineering goods.

Since there is always a vast unmet demand and within Iran for forex, the central bank is willing to hold some Indian rupee as reserves, too. But even then it runs a limit on how much rupee it will hold. Indian exporters to Iran have to operate within an annual limit of less than \$1 billion. For the past few years, New Delhi has been pushing Tehran to increase this limit.

However, the same banker said, as the volume of trade with Iran has risen, the reserves held as Indian rupee have declined due to rising demands from traders, especially now that Iran's trade surplus with India is narrowing since New Delhi is buying more oil from Russia.

Besides, a via media has opened up through the UAE. Several Iranian importers invoice their trade in dirhams to buy from India. The Indian traders get their payments for the consignments in Indian rupee from the UAE.

But for Russia, the rupee is hardly tradable except to exchange with India, so it doesn't make sense for the Bank of Russia to hold any reserves. A reserve currency

should be valid for trading between say, Russia and Indonesia, yet payable in Indian rupees. A non-resident account in an Indian bank that either Iran or Russia operates allows only for buying of Indian goods. Given that India runs a massive trade deficit with Russia, it is difficult to see what goods India can offer Russia.

The demand from Russia is the trigger that has made the RBI enthusiastically support the internationalisation of the rupee. However, there are concerns here, too. "Our concern is that a Russian invoice for a good may often be a cover for import of something else," said an RBI official. He is referring to weaponry or other goods proscribed by the G7.

Indian banks have also argued for alternatives, such as allowing a rupee-denominated loan to Russia, similar to the \$4 billion line of credit that India has offered to Sri Lanka. But a loan to Russia will have to be commensurately larger and in any case can come through only when the war ends.

Of late, Moscow has become more willing to discuss options with New Delhi, after the G7-led cap on the price of its crude has begun to bite. Till prices were below the cap, trade was being settled in mostly UAE dirham. But with the OPEC Plus production cuts pushing up prices, the caps on the Russian grades have become irrelevant. But the UAE central bank has indicated to India it will not allow commercial banks there to breach the cap since they could fall foul of the sanctions. Recognising the problem, Finance Minister Nirmala Sitharaman said on the sidelines of the IMF-World Bank meeting, "We will have to constantly refigure where we get the best deal as it is a critical input for the economy." This will require fresh creativity.

Fantasy sports revenue may cross ₹25,000 cr by FY27

ARYAMAN GUPTA & DEBARGHYA SANYAL
New Delhi, 18 April

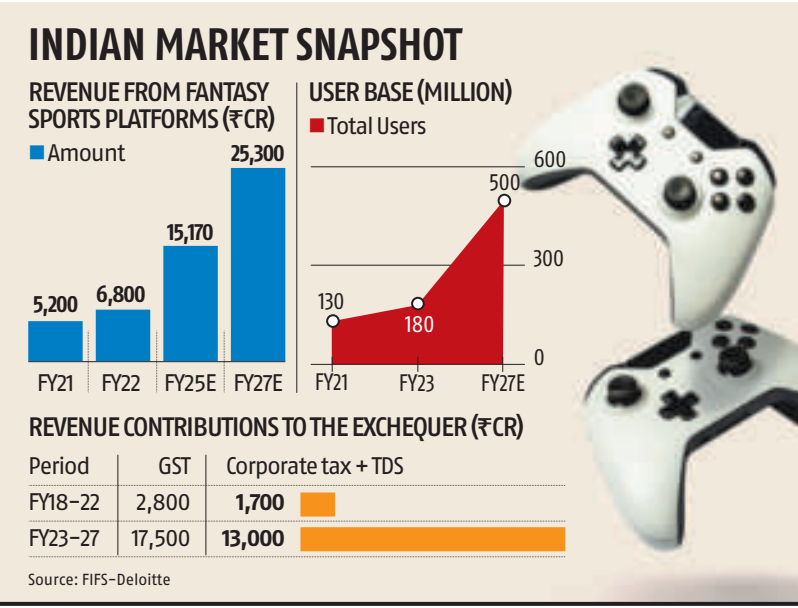
The Indian fantasy sports industry has witnessed a prodigious rise in recent years. Revenue from the sector has grown 31 per cent to reach ₹6,800 crore in FY22, and is expected to cross ₹25,240 crore by FY27 at a 33 per cent CAGR, said a recent report.

With over 300 fantasy sports platforms (FSPs) and an estimated 180 million users, India is the fastest-growing fantasy sports market in the world. The sector, valued at ₹75,000 crore, is projected to reach 500 million in the next five years, according to a report by the Federation of Indian Fantasy Sports (FIFS) and Deloitte India.

A fantasy sport is a game, often played using the Internet, where participants assemble imaginary or virtual teams composed of proxies of real players of a professional sport. These teams compete based on the statistical performance of those players in actual games. Popular fantasy gaming platforms in India include two out of the three gaming unicorns (firms with a valuation of over \$1 billion) — Dream11 and MPL.

"Our analysis suggests that fantasy sports hold tremendous potential to help build a resilient sports ecosystem in India and significantly contribute to the nation's digital economy," said Prashanth Rao, partner, consulting, Deloitte India. "The increased allocation for sports in the 2023 Union Budget, new innovations, investor confidence and growing consumer demand will help generate fresh prospects for entrepreneurs and stimulate advancement of this sector in India."

The central government recently noti-



fied new rules for online gaming with a provision of creating multiple self-regulatory bodies (SRBs) to certify "permissible" real-money online games. These rules, industry watchers say, will provide much needed regulatory certainty to the sector and, in turn, further accelerate growth. Some lingering concerns, however, remain.

Despite central regulations, many states have expressed apprehension towards online gaming. A case in point is Tamil Nadu's recent blanket ban on e-gambling websites, which threw a spanner in the works for many gaming firms with operations in the state.

Joy Bhattacharjya, director-general,

FIFS, said: "The varied responses from states were simply because they lacked clarity on the definition and regulations around games of chance and skills. Now that MeitY (Ministry of Electronics and Information Technology) has provided a clear regulatory framework, we expect a uniform approach across states."

"Our main aim would be to support the SRBs in terms of industry insights, and/or any technological help needed from our side. We would also hope that SRBs give opportunities to representatives of industry bodies."

(With inputs from Raghav Aggarwal)

In the National Company Law Tribunal, Chennai Bench
Company Petition No. CP/108(CHE)/2022
u/s Sec - 66 of Companies Act, 2013
In the matter of Companies Act, 2013 and
In the matter of Morgan Industries Limited

MORGAN INDUSTRIES LIMITED (CIN: U93090TN1989PLC036273)
Regd Office: C-2, SIPCOT Industrial Complex, Cuddalore-607005, Tamil Nadu ... Petitioner

ORDER OF CONFIRMATION OF REDUCTION OF CAPITAL

Notice is hereby given that, Honorable National Company Law Tribunal, Chennai Bench, Chennai vide order dated 31st day of March, 2023 has confirmed the reduction of the Equity Share Capital of the Company of the above mentioned Company from Rs.15,00,00,000/- divided into 1,50,00,000 equity shares of Rs.10/- each to Rs. 1,50,00,000/- divided into 1,50,00,000 equity shares of Re.1/- each and the order confirming reduction of capital, minute approved by the Honorable Tribunal showing the share capital of the above company as altered above, the several particulars required by the above Act, were filed with the Registrar of Companies, Chennai on 04th day of April, 2023.

A.M. Ilango-Counsel for Petitioner, Suite No.103, First Floor, Kaveri Complex, 96/104, Nungambakkam, High Road, Nungambakkam, Chennai – 600034

Place: Chennai
Date: 18.04.2023

INVITATION FOR BIDS FOR AUCTION OF ASSETS OF ST. JOHN FREIGHT SYSTEMS LIMITED
Under Liquidation, Insolvency and Bankruptcy Code, 2016
National Company Law Tribunal, Chennai Bench Order dated 26-11-2019

M/S. ST. JOHN FREIGHT SYSTEMS LIMITED is proposed to auction in AS IS WHERE IS, AS IS WHAT IS & WHATEVER IS THERE IS condition on a non-recourse basis, the below mentioned assets as these form part of excluded assets pursuant to the order of the National Company Law Tribunal, Chennai Bench IA(IBC)/1018/2022 in CP/759/(IB)/CB/2018 ordered dated 19-01-2023.

ITEM NO. 1
Land parcels and Building located at National Highway NH 45B, Meelavitan Village, Taluk and District Tuticorin – 628 008 bearing survey numbers 1129 & 1131 admeasuring **8.82 acres**. The reserve price for the land parcels amounts to **Rs.13,50,90,000**.

ITEM NO. 2
Land parcels located at Amudham Colony, Chengam Nagar and Poonkovil Nagar situated at Athipattu Village, off Ennore Port Road, Minjur Panchayat Union, Ponneri Taluk, Thiruvallur, Chennai – 600 120 admeasuring **7.22 acres**. The reserve price for the land parcels amounts to **Rs.8,80,20,000**.

Expression of interest on or before 03-05-2023. Interested parties may get in touch with the liquidator for further details.
Date of E-Auction: 15-05-2023
For more details, contact:
R. Venkatakrishnan
Liquidator - IBBI/IPA-001/IP-P00115 /2017-18/10250
Tel: 044-28150540, 28150541, 28150542
Mobile: +91 98408 13918 / +91 99414 60122
Email: rvk@rvkassociates.com / stjohncirp@rvkassociates.com
Date: 19-04-2023

बैंक ऑफ इंडिया Bank of India BOI
Relationship beyond banking

Head Office: Investor Relations Cell, Star House - I, 8th Floor, C-5, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Ph.: (022) 66684490

APPEAL TO SHAREHOLDERS OF BANK OF INDIA

बनाम शेयरहोल्डर्स

SEBI vide its Circular No SEBI/HO/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 has mandated all holders of physical securities in a listed Company to furnish the following documents / details to the bank/ Registrar and Transfer Agent of the bank (RTA)

a) PAN
b) Nomination (for all eligible folios)
c) Contact details (Postal address with PIN, Mobile number, E-mail address)
d) Bank account details (Bank name and branch, Bank Account Number, IFS Code)
e) Specimen signature

1. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSED PoD.1/P/CIR/2023/37 dated March 16, 2023 has mandated that the folios wherein any one of the above cited documents/details is not available on or after October 01, 2023, shall be frozen by the RTA.

2. The securities in the frozen folios shall be referred by the RTA/Listed Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002 if they continue to remain frozen as on December 31, 2025.

3. In terms of SEBI Press Release No 12/2019 dated 27.03.2019 and Regulation 40(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 transfer of securities held in physical mode has been discontinued w.e.f April 01 2019. Accordingly transfer of shares can be done only if the shares are held in dematerialized (demat) form.

4. Further, SEBI vide Circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/B dated January 25, 2022 had mandated listed companies to process requests for issue of duplicate share certificate, transmission, transposition etc. and issue the securities only in demat form.

5. Accordingly, we request Shareholders who hold shares in physical form to furnish the requisite KYC details, nomination details, Bank account details and specimen signature wherever the aforementioned details are not updated earlier, and to submit the requisite forms for conversion of their physical shareholding into demat form.

6. The copies of the requisite forms (ISR-1 TO 4, Form SH-13 & 14) are hosted on website of the bank at <https://bankofindia.co.in/format-for-boi-shareholders> and that of its Registrar and Transfer Agent (RTA), VIZ, M/s.Bigshare Services Private Ltd at <https://www.bigshareonline.com/InvestorLogin.aspx> We request Shareholders who hold shares in physical form to submit the same to Bank's RTA on address provided below : M/s. Bigshare Services Private Limited, Office No.S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400 093

7. Further, we hereby request all the Shareholders of Bank of India, who have till date not registered their email id (s) with the bank/RTA to register their email id (s) in order to receive Notices of General Meetings, participate in e-voting, receive Annual Report and other communications in electronic form

8. The Shareholders who hold shares in demat form are requested to approach concerned Depository Participant (DP) for updating/modifying the KYC, Bank mandate and /or e-mail-id (s) details as the case may be.

Place: Mumbai
Date : 18.04.2023

For Bank of India
Rajesh V. Upadhyaya
Company Secretary

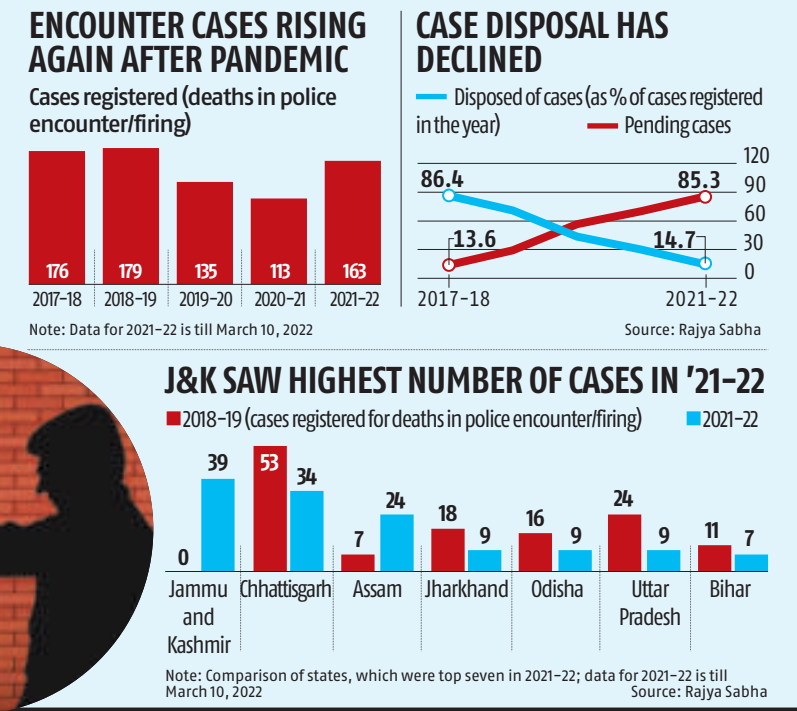
India recorded one death every two days due to police firing or encounter in '21-22

ANUSHKA SAWHNEY
New Delhi, 18 April

The National Human Rights Commission (NHRC) registered a case of death due to police firing or encounter every three days even during the pandemic.

Assailants shot dead former MP Atiq Ahmed on April 16, triggering a debate on extra-judicial killings. There were 179 cases registered in 2018-19, shows annual data from a Rajya Sabha reply in 2022. The analysis considered deaths due to police encounter or police firing. This works out to one case registered every two days. The number of such cases dropped to 135 in 2019-20 and 113 in 2020-21 amid Covid-19 restrictions. This works out to a case every three days. The number of deaths had begun to climb again in 2021-22 (chart 1).

The disposal of cases declined sharply during the pandemic. The NHRC disposed of 86.4 per cent of the pending cases in 2017-18. This disposal rate has fallen to 14.7 per cent, shows data as of 2021-22. A similar number for pending cases as a ratio of registered ones has risen. It was up from 13.6 per cent in 2017-18 to 85.3 per cent in 2021-22 (chart



2), according to a March 2022 reply. The number of pending complaints at the time was 139. The latest NHRC bulletin shows 317 pending cases as of March 2023.

Granular data show that some places have seen a greater increase than others after the pandemic began. In Assam, the

number of police firing and encounter death cases rose from seven in 2018-19 to 24 in 2021-22. Jammu and Kashmir registered 39 cases in 2021-22, from zero in 2018-19. Uttar Pradesh had recorded 24 deaths in 2018-19. The figure was nine in 2021-22 (chart 3).

FACT दि फर्टिलाइज़र्स एण्ड केमिकल्स ट्रावन्कोर लिमिटेड
THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
(A Government of India Enterprise) Regd. Office: Floor, Corporate Materials Department, PD Adm Building Udyogamandal, Kochi, Kerala - 683 501, Tel:0484-2568637 / 2568327, Fax: 0484-2545998 E-mail: E-mail: geethanjan@factind.com / soumya@factind.com. Website: http://www.fact.co.in

Body Bonnet Assembly for NJB make Control Valves

Tender No.MM/132/E27139 dated 18.04.2023

Tenders are invited from experienced and financially sound parties for supply of Body Bonnet Assembly for NJB make Control Valves to FACT – Ammonia Complex, Udyogamandal Division (UD). Interested bidders may visit FACT official website for tender details. Any updates/extension of due date will be published in CPP Portal only.

Last date/time for submission of bids: 03.05.2023 / 2.00 PM.

Udyogamandal
Date: 18.04.2023
Sd/-
Deputy General Manager (Materials)ESS

torrent POWER DNHDD

DADRA AND NAGAR HAVELI AND DAMAN AND DIU POWER DISTRIBUTION CORPORATION LIMITED INVITES BIDS FOR PROCUREMENT OF 150 MW RE POWER ON LONG TERM BASIS

DADRAAND NAGAR HAVELI AND DAMAN AND DIU POWER DISTRIBUTION CORPORATION LIMITED (DNHDDPDC) distribution licensee in UT of Dadra and Nagar Haveli and Damian and Diu, intends to procure 150 MW RE Power with additional 150 MW under green shoot option through tariff based competitive bidding process on e-bidding portal <https://www.bharat-electronicstender.com> for fulfilling its Renewable Power Purchase Obligation (RPP0).

For more details please refer to the tender documents (RIS No. DNHDDPDC/LRE RTC/01/2023 and Tender Search Code: DNHDD-2023-TN000001) which can be downloaded from e-bidding portal or from Torrent Power Limited's website (www.torrentpower.com).

For any assistance on e-tendering, please contact e-bidding portal helpdesk on +91-124-4229071, 4229072

DNHDDPDC reserves the right to reject all or any Bids or cancel the tender process without assigning any reason whatsoever and without any liability.

Last date for submission of bid is 10th May 2023

Further details may be obtained from:
Vice President (Commercial)
DNHDDPDC
Phone-07924729222 Ext: 5884
Power-Tender@dnhddpdc.com
Date: 19th April 2023

Edelweiss Asset Reconstruction **EDELWEISS ASSET RECONSTRUCTION CO. LTD.**
CIN - U67100MH2007PLC174759
Registered Office: Edelweiss House, Off CST Road, Kalina, Mumbai 400098

APPENDIX - II – A and IV-A
[See proviso to rule 6(2) and rule 8(6) r/w proviso to rule 9(1)]

E-AUCTION SALE NOTICE FOR SALE OF MOVABLE AND IMMOVABLE PROPERTIES

Public Notice for e-auction sale of secured asset under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI Act") read with proviso to Rule 6(2) and Rule 8(6) r/w Rule 9 (1) of the Security Interest (Enforcement) Rules, 2002 ("the Rules").

Notice is hereby given to the public in general and to the borrower and guarantors in particular that the immovable and movable asset described herein below ("Secured Assets") and mortgaged and hypothecated in favour of Edelweiss Asset Reconstruction Company Limited, (acting in its capacity as trustee of EARC Trust SC- 37) ("EARC/ Secured Creditor"), Physical possession of which has been taken by the Authorised Officer of EARC on December 27, 2022, will be sold by way of e-auction through e-auction agency, M/s e-Procurement Technologies Limited (Auction Tiger) on their website/portal, <https://edelweissarc.auctiontiger.net> on May 09, 2023 at 12:00 noon with unlimited extension of 5 minutes each, if a bid is made before close of e-auction, on "As is where is", "As is what is", "Whatever there is" and "No recourse" basis for recovery of a total sum of Rs. 162,53,72,484/- (Rupees One Hundred and Sixty Two Crore Fifty Three Lac Seventy Two Thousand Four Hundred and Eighty Four only) being due as on February 8, 2023 together with further interest, at contractual rates and other costs and expensed thereon, due to the EARC from De Core Nanosemiconductors Limited ("Borrower"), Mrs. Harsh Inder Loomba, acting in capacity as the legal heir of Late Mr. Deepak Loomba ("Personal Guarantor") and De Core Science and Technologies Limited (Corporate Guarantor).

The Reserve Price and Earnest Money Deposit of the Secured Assets shall be as follows:

DETAILS DESCRIPTION OF SECURED ASSETS	Reserve Price	Earnest Money Deposit
Leasehold rights in all that piece and parcel of land bearing Plot No. 13 admeasuring 5521.38 square meters and Plot Nos. 33, 34, and 35 admeasuring 13887 square meters in the Gandhinagar Electronic Special Economic Zone Industrial Area/Estate, Kolavada Road, Sector 25, Gandhinagar 382028 (Gujarat) along with the factory building and structures thereon and all that plant and machinery, furniture and fixtures and other movable assets lying and being thereon.	Rs.17,36,88,883/-	Rs.1,73,68,888/-

TIMELINES OF THE E-AUCTION:

Site Inspection	On April 26, 2023 – 11:00 am to 4:00 pm.
Document Verification	On working days between April 26, 2023 to April 28, 2023, from 11 am to 5 pm.
Bid Document Purchase	On working days between May 01, 2023 to May 05, 2023, from 11 am to 5 pm.
Last Date of Submission of EMD	By 2 pm on May 08, 2023.
Last Date of submission of bid document	By 5 pm on May 08, 2023.
Commencement of e-auction sale	At 12 noon on May 09, 2023.
Bank details:	Ac No. 0004103000054719, IFSC No. IBKL0000004, IDBI Bank, Mittal Court, Nariman Point, Mumbai.
Officer contact details	7506642534

For detailed terms and conditions of the auction sale, please refer to the link provided in the Secured Creditor's website i.e. www.edelweissarc.in/PropertySale

Date: 19.04.2023
Place: Mumbai
Sd/-
Authorized Officer