

IN BRIEF



Mercedes-Benz cuts car prices to align with GST

MUMBAI Mercedes-Benz India has announced a downward revision of its locally-made car prices by 2% to 9% to bring them on a par with GST rates. This is to prevent car buyers from postponing purchase decisions till July. The price reduction available on nine models comes into immediate effect. As per the new prices, a CLA 200 will be cheaper by ₹1,25,000, while a Maybach S 500 will cost ₹7 lakh less in Delhi.

Suven initiates clinical trial of anti-depressant

HYDERABAD Suven Life Sciences has initiated the phase I clinical trial of a chemical entity intended for the treatment of major depressive disorder (MDD). At the start of the trial and first dosing of SUVN-911, a neuronal acetylcholine nicotinic receptor (nAChRs) antagonist for MDD, the company on Thursday said results from the study were expected during the Jan-March quarter in 2018. The global antidepressant market is valued at more than \$20 billion.

IFC invests \$3 million in AI-focused pi Ventures

BENGALURU International Finance Corporation (IFC), the private-sector lending arm of the World Bank, said it is investing \$3 million in 'pi Ventures', an early-stage venture fund. The firm will use the money to invest in companies leveraging technologies such as applied artificial intelligence (AI), machine learning and Internet of Things, across a range of sectors.

INTERVIEW | RAVI SHANKAR PRASAD

'Experts say that if automation takes 2 jobs, it creates 10 more'

When the computer came there was opposition. Now it's a major job giver

YUTHIKA BHARGAVA NEW DELHI

India will not let the threat of cyberattacks, such as the recent 'Wannacry' ransomware, restrict the progress of Digital India, Union Minister for Electronics and IT, Ravi Shankar Prasad said in an interview to The Hindu. He said that the Government was also working on reviewing the IT Act to strengthen it and the claims of massive job losses in the IT software sector were "exaggerated." Edited excerpts:

Incidents such as the recent ransomware take a toll on people's trust on digitisation and digital payments. Given Government's focus on Digital India what is your take on this?

First of all, India was the least affected due to this ransomware as we took precautions. CERT-In had issued an advisory in March itself that Microsoft patch should be installed. Therefore, India was not vulnerable. We will not let issues related to cybersecurity slow down the progress of Digital India. To take up the challenges that may come up in this area, we recently created over 100 new posts for security professionals. We will be opening 10 new regional Standardisation Testing and Quality Certification (STQC) centres. We recently launched the Botnet Cleaning and Malware Analysis Centre and the National Cybersecurity Coordination Centre (NCCC) will also become functional shortly.

But do you think CERT-In should have more powers? That it must do more than issue advisories and take action against those not following it?

Let us have trust. All the companies and stakeholders are realising the need to

have cybersecurity walls. We have to work as a team... See, India's digital profile is rising and cybersecurity needs to be strengthened. It is a vast area. For a more focused approach we now have a separate CERT for the financial sector, soon we will have a separate CERT for the power sector. If there is some rising sector which needs special focus, I am also open to the idea of a separate CERT for them too.

India had unveiled a cybersecurity policy in 2013. Will you be taking that forward?

I am open to the idea of improving on that policy. But we are more focused on delivery. Earlier Government's focus was on creating policy without delivery.

Our IT Act is pretty old. Do you think there is a need to rethink the Act? Also, the government had to withdraw its data encryption policy earlier due to public outcry. When is that expected?

We have formed a committee which is looking into it. We are focussed on improving the whole structure of IT Act because of the expanse of Digital India. We are looking into the data encryption policy. The work is on.

There has been a spurt in



We will not let issues related to cybersecurity slow down the progress of Digital India

reports on layoffs in the IT sector...

These reports are exaggerated. I completely dispel this whole impression. I have also personally looked into it, spoken to industry leaders and asked for data. We are keeping a tab on the situation. As of now, it is routine performance linked trimming. The IT industry in India today employs 40 lakh people directly and 1.4 crore people indirectly. But I would like to highlight the larger ecosystem of Digital India which is creating more opportunities. We have 2.5 lakh common service centres. In fact, I am looking to expand it further. These centres have earned ₹1,800 crore by enabling digital delivery of services. Of this, they earned ₹600 crore by making 21 crore Aadhaar cards. Each centre employs anywhere between 2 and 10 people. Currently, 10 lakh people work in CSCs. BPOs are coming up in small towns, under the rural BPO scheme. TCS has opened a centre in Patna, they will soon open one in Varanasi.

BPOs are coming up in Allahabad, Bareilly, Ghazipur, Lucknow, Siliguri.

Have all the 48,000 seats envisaged under the scheme been allotted?

About 15,000 have been finalised. The rest are in process. But 15,000 seats have the potential to create employment for 30,000 people.

But do you see any threat to jobs from automation?

I am told by technology experts if automation takes two jobs, it creates 10 more. When computer had come in the 80s, there was opposition, some from our own party. But, today it's one of the major job givers. There is a need for re-skilling with the advancements in technology. And the government and the industry will work towards this.

What about the issues of privacy raised about Aadhaar?

We have saved ₹50,000 crore due to direct transfer of benefits... all this is taxpayers' money. We have a proper Aadhaar law where security of data and privacy has been completely safeguarded.

The data on Aadhaar card is minimal. There is no data by which you can be profiled... only in the case of national security, by a committee vetted by Cabinet Secretary, Law Secretary and the IT Secretary, can the data be released for a limited period of two months. National security has to be defined. Therefore, it is a safe law and a secure law.

GST will help establish traceability of gold: WGC

'This is the best way to make purchases transparent'

SPECIAL CORRESPONDENT KOLKATA

The rollout of the Goods and Services Tax (GST) on July 1 will get gold out of the shadows of black money and establish traceability, Somasundaram P. R., managing director, India World Gold Council said.

There was a lack of clarity on the rate and on certain operational issues and the transition would be a time-consuming affair, he said.

"It may take about 18 months for the industry to settle," he said. "There are several areas that need clarity. The industry is seeking the definition of conversion. How would the taxation be if gold jewellery is exchanged," he said.

Mr. Somasundaram felt that there were major gains to be reaped from the rollout of reform measures like GST. "This is the best way to



make gold buying transparent," he said. However, GST rollout should ideally be accompanied by enforcement of hallmarking to ensure purity. "Or else there will be a gap."

Assaying centres

Certain inadequacies existed with respect to hallmarking facilities, Mr. Somasundaram said. This was in respect of the number of assaying centres as well as gaps in standardisation. "Nearly 1,000 assayers would be needed (against

the 450 available now) if hallmarking is made mandatory."

As per a WGC report on the evolution and innovation of India's gold market, income levels were the most significant long-term determinants of consumer gold demand. The report pegged India's gold stocks at around 23,000 tonnes. It said that South accounted for 40% of the gold demand, followed by West with 25%, North 20% and East 15%. Imports account for 85% of the supply.

The number of jewellers has been estimated between 3.85 and 4.1 lakh of whom 70% were unorganised. However, the market share of organised player has increased from 5 to 30% in the five years since 2000, and is projected to rise to 40% by 2020, according to the report.

Centre alters definition of a start-up

SPECIAL CORRESPONDENT NEW DELHI

The Centre has amended the definition of a start-up by broadening the term to include scalability of business model with a potential for employment generation or wealth creation, according to an official statement.

A Letter of Recommendation from an incubator/industry body for recognition or tax benefits has been done away with and an entity shall be deemed as a start-up up to seven years from the date of its incorporation. For the biotechnology sector, the period is up to 10 years.

Alpha Real Trust 'wins' Logix arbitration suit

K.T. JAGANNATHAN CHENNAI

Alpha Real Trust, a registered investment company listed on the London Specialist Fund Market of the London Stock Exchange, said it won a dispute with Logix group with a Division Bench of the Delhi High Court confirming the award given by the International Chamber of Commerce (ICC) Arbitration Tribunal.

"As part of the ongoing execution of the arbitration award, the Delhi High Court has issued a warrant of attachment against the primary residential property owned by Shakti Nath and Meena Nath, promoters

of Logix Group," Alpha Real Trust said in a statement. "Restrainer orders have also been passed against the Logix corporate office at Noida," it added.

Further, Logix had also been restrained against transfer of shares in several group companies and development SPVs (special purpose vehicles).

In January 2015, the International Chamber of Commerce Arbitration Tribunal had ruled in favour of Alpha Real Trust in a dispute related to its investment in Galaxia, a joint venture with the Logix Group (Logix) located on a 11.2-acre special economic zone (SEZ) in Noida, near New Delhi.



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