



12 JULY 2018

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EDITOR'S PICK



## “Improvement In Productivity Is A Positive Way Of Managing Costs And Efficiency”

Sugata Sircar, CFO, Schneider Electric talks on the role of CFOs in this ever-changing business environment.

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## India's retail sales will cross \$1,244.58 billion by 2018: Report

As per it, Bangalore has left behind all other cities with regard to online shopping in the year 2017.

**THE TOTAL** retail sales in India is likely to increase from \$717.73 billion during calendar year (CY) 2014 to touch \$1,244.58 billion by 2018, growing at an impressive rate of about 15 per cent and registering a double digit growth figure year after year, according to a latest study by Assocham-Resurgent India.

In 2017, about 100 million consumers made purchases online and the number is expected to cross 120 million by 2020 with the rise of digital natives, better infrastructure in terms of logistics, broadband and internet-ready devices to fuel the demand in e-Commerce.

As per the findings of the joint study, Bangalore has left behind all other cities with regard to online shopping in the year 2017. While Mumbai ranks second, Delhi ranks third in



their preference for online shopping, observed the study.

In Bangalore, 75 per cent of the total population are likely to buy daily routine products through e-shopping, like apparel, gift articles, magazines, home tools, toys, jewellery, beauty products & sporting goods. [READ MORE..](#)

## China set for record defaults

Chinese companies have defaulted on about 16.5 billion yuan (\$2.5 billion) of public bond payments so far in 2018, as against the high of 20.7 billion yuan seen in all of 2016, said data compiled by Bloomberg.

**CHINA IS** heading for corporate bond defaults, with weakening its currency and a slowing economy.

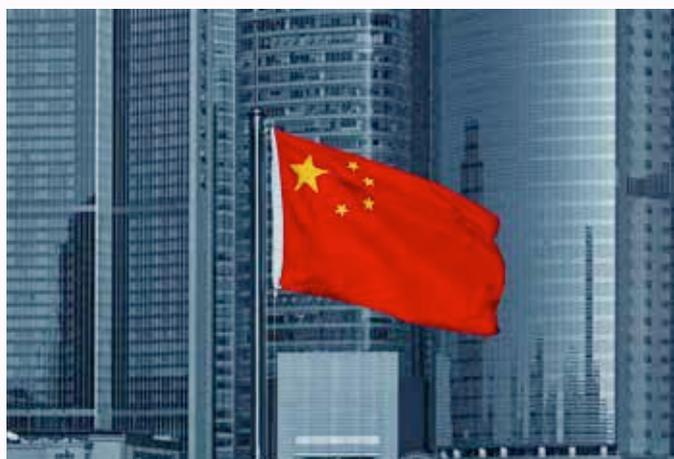
In data compiled by Bloomberg, the tally for the first half of 2018 is already nearing a 2016 total.

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A Bloomberg report said strains are set to get worse if the trends of credit-rating companies are anything to go by — agencies including Dagong Global Rating Co. have been downgrading firms by an unprecedented margin.

“Corporate profits have worsened this year and are unlikely to improve against the backdrop of an economic slowdown,” Li Shi, general manager of the rating and bond-research department at China Chengxin International Credit Rating Co.

“Refinancing will continue to be tough as long as the crack-down on shadow banking continues.”



Borrowers have defaulted payments on at least 20 domestic bonds so far this year, said the Bloomberg data.

There was about 66.3 billion yuan of defaulted notes outstanding at the end of May, or 0.39 per cent of corporate bonds outstanding, PBOC data show.

While still small, that share may be poised to rise.

According to JPMorgan Chase & Co., an increasing trade tensions with US could add to defaults in Chinese financial system, which is already in the midst of a deleveraging campaign.

If US administration imposes tariffs on Chinese imports later this week, there will be spinoff effects on the country’s financial sector, Jing Ulrich, JPMorgan’s vice chairman for Asia Pacific was quoted as saying. [READ MORE..](#)



## Charge fee that is ‘reasonable’, IBBI tells insolvency professionals

In a circular “Fee and Other Expenses Incurred for Corporate Insolvency Resolution Process”, the authority said the fees charged and expenses incurred by the insolvency professionals should be “reasonable”.

**THE INSOLVENCY** and Bankruptcy Board of India (IBBI) has penned down a regulation on fees payable to an insolvency professional and expenses incurred by him during the corporate insolvency resolution process (CIRP).

In a circular “Fee and Other Expenses Incurred for Corporate Insolvency Resolution Process”, the authority said the fees charged and expenses incurred by the insolvency professionals should be “reasonable”.

In April, the Board released a discussion paper on regulation of fee payable to insolvency professionals and other process costs under Corporate Insolvency Resolution Process and invited comments on the same.

The experts opine this regulation is an attempt by the board to improve compliance in terms of fees charged and expenses incurred by resolution professionals.

The board, however, clarified that “what is reasonable is context specific and it is not amenable to a precise definition”.

The circular, dated June 12, said “An IP is obliged...to take reasonable care and diligence while performing his duties, including incurring expenses. He must, therefore, ensure that not only fee payable to him is reasonable, but also other expenses incurred by him are reasonable.”

Further, an IP is asked to get approval of the committee of creditors (CoC) for the fee or other expenses, wherever approval is required; and all CIRP-related fees and other expenses should be paid through banking channel. [READ MORE..](#)