



EDITOR'S PICK



Sundar Sampath, EVP & Global CFO, CSS Corp

In a video interview with CFO Dialogues, **Sundar Sampath**, EVP and Global CFO, CSS Corp shares his personal and professional aspects of life, viz., why choosing career in finance was a natural choice for him, who his role models are and what work-life balance means to him, among other things.

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RBI has surprised markets by reducing repo rate

“Though monetary policy stance changed from ‘calibrated tightening’ to ‘neutral’ in line with expectations, RBI has surprised markets by reducing the policy repo rate by 0.25 per cent, indicating a slight tilt towards supporting economic growth,” said Venkatraman G S, CFO, Subex.

RESERVE BANK of India (RBI), in its sixth bi-monthly monetary policy statement for 2018-19, slashed repo rate by 25 basis points. The unexpected rate cut move left market experts and financial leaders in a complete surprise.

“Though monetary policy stance changed from ‘calibrated tightening’ to ‘neutral’ in line with expectations, RBI has surprised markets by reducing the policy repo rate by 0.25 per cent, indicating a slight tilt towards supporting economic



growth,” said Venkatraman G S, CFO, Subex.

He says India’s estimated real GDP growth rate at 7.2 per cent for 2018-19 “is pretty decent given the low overall world economic growth”.

As per RBI, the path of inflation has moved downwards significantly, and over the period of the next one year, headline inflation is expected to remain contained below or at the target of 4 per cent. [READ MORE..](#)

RBI relaxes norms to raise funds through ECB route

The Centre then appealed against the Delhi High Court order, to which upheld Section 139AA of the Income Tax Act.

THE RESERVE BANK of India (RBI) has eased the external commercial borrowing norms to allow bidders under the Insolvency and Bankruptcy Code (IBC) to raise funds abroad to pay the debtor back home.

However, the country's central bank has restricted resolution applicants from raising funds from the foreign branches of Indian banks.

"...it is proposed to relax the end-use restrictions under the approval route of the ECB framework for resolution applicants under the CIRP and allow them to utilise the ECB proceeds for repayment of Rupee term loans of the target company," said RBI in a statement on Thursday.



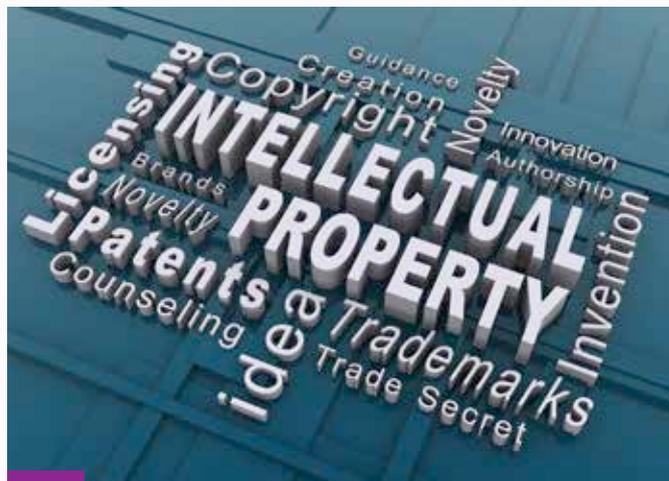
Such ECBs could be availed from all eligible lenders under the extant ECB framework except from overseas branches/subsidiaries of Indian banks, it further said.

Under the extant ECB framework, proceeds of ECB denominated in either foreign currency or Indian Rupee (INR), are not permitted to be utilised for repayment or for on-lending for repayment of domestic Rupee loans.

The resolution applicants under Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code (IBC), 2016 may find it attractive to borrow abroad to repay the existing lenders, the statement said.

The move comes as a relief for bidders who can use the new funding route to acquire stressed assets under the IBC.

As per RBI, guidelines in this regard will be issued by the end of February 2019. ■



India climbs eight slots to 36th rank in IP index

However, 'serious challenges' on the patent front still exist, says the US Chamber of Commerce report.

IN AN ACKNOWLEDGMENT of the improvement in India's innovation ecosystem, the US Chamber of Commerce moved India up eight places in its international intellectual property (IP) index and has ranked it 36th amongst 50 countries in 2019, according to a report published in thehindubusinessline.com.

The rankings were released by the US Chamber of Commerce's Global Innovation Policy Center (GIPC) on Thursday and said, "The improvement reflects important reforms implemented by Indian policy makers toward building and sustaining an innovation ecosystem for domestic entrepreneurs and foreign investors alike."

"The reforms that helped improve India's ranking include its accession to the WIPO Internet Treaties, the agreement to initiate a Patent Prosecution Highway with international offices, a dedicated set of IP incentives for small business and administrative reforms," the report quoted Patrick Kilbride, Senior Vice President of GIPC.

However, the report has red-flagged some issues. The key problems in India, as highlighted in the report, include barriers to licensing and technology transfer, strict registration requirements, limited framework for the protection of bio-pharmaceutical IP rights, patentability requirements outside international standards, lengthy pre-grant opposition proceedings and previously used compulsory licensing for commercial and non-emergency situations.

"If India can surmount the serious challenges that remain, including with regard to patent eligibility and enforcement, it can build a robust innovation-led growth model for other countries to emulate," Kilbride said.

The report suggests that India's patent rules are over and above global norms, however, it has been steadily refuted by India, which claims that it is in strict adherence to World Trade Organisation's TRIPS mandate.

The US Chamber of Commerce report ranks economies based on 45 indicators. These cover patent, trademark, [READ MORE..](#)