

IN BRIEF



GST on all solar components at 5% NEW DELHI The Goods and Service Tax (GST) rate on inputs for solar components has been cut to 5% from the 18% set by the GST Council in its May 18 meeting...

Snapdeal raises ₹113 cr from Nexus, founders NEW DELHI Snapdeal has raised Rs 113 crore from existing investor Nexus Venture Partner and the company's two founders...

Larsen & Toubro Q4 net rises 29.5% to ₹3,025 cr. NEW DELHI Engineering and construction conglomerate Larsen & Toubro (L&T) on Monday registered a 29.5% jump in consolidated net profit...

INTERVIEW | NAVEEN JINDAL

'I feel the worst is over for steel sector'

Our focus is on sweating the existing assets to the maximum possible and reducing our debt

PIYUSH PANDEY

Naveen Jindal, chairman of Jindal Steel & Power Ltd. (JSPL), a part of the \$18 billion diversified O. P. Jindal Group, had a tough time since 2014, when the company's coal blocks were cancelled by the Supreme Court...



Our focus is to run our plant well and to make the most of the investments that we have already made

sight of being able to organise raw material, we will definitely play our role. So far we are contributing to steel making in India in a big way and we hope to continue that in future also.

There is a concern about the huge debt of ₹46,000 crore on JSPL's balance sheet? We will reduce our debt by increasing our production. With the commissioning of the blast furnace, we will be able to almost double our production this year...

is very important that States come out with power purchase agreements (PPAs). Long-term PPAs will improve our valuations for the plant. We still have time to complete the deal by June next year.

What happens to your plans of increasing your capacity four-fold to over 31 mtpa with investments of \$23 billion?

Right now, looking at the market our focus is not on expansion or increasing our capacities but to sweat our existing assets to the maximum possible and reduce our debt.

How will you contribute to the government's ambitious plan to reach 300 mtpa by 2030?

In two to three year's time, when our situation will be stronger and we have a clear

industry, especially the distribution as there is big element of cross subsidy. There are lots of challenges but I think, over time, government has taken good steps and we are moving in the right direction.

The government has completed 3 years. As an industrialist, do you see things changing on ground?

The government has taken up many good initiatives and it takes time for the results. I must say that for steel sector they have done a good job in protecting the domestic industry by stopping the unfair imports that were happening...

You have again been issued summons by the CBI in another coal case?

Recent charge-sheet by the CBI is completely baseless, frivolous, malicious attempt and I feel that we have a really good case and I am sure we will get relief from the court.

Do you think you had to pay a political price for being in business?

I don't know that but what I know in my mind is that there is no 'coalgate'. Something which six successive governments of India are following for more than 20 years, which led to lot of investments, lot of job creation... and cancelling those coal blocks, we have all seen how many steel companies and power companies have become debt-laden.

I feel UDAY is good effort and lot more needs to happen. Power is a complicated

we are doing it at a good pace and our focus is to run our existing capacities to the fullest.

Last two years have been very bad for the steel sector. Do you think that the worst is over for JSPL?

I feel the worst is over for the steel sector. The prices are right and sustainable. We do have to improve on availability of raw materials and reduce the taxation. In India, we suffer due to excessive taxation and we pay the highest royalty in the world...

All these things make us uncompetitive, especially when we are competing in our global environment because international companies are not paying these kinds of royalties.

Most of the states have joined the government's UDAY scheme but still discoms are not buying power as anticipated?

I feel UDAY is good effort and lot more needs to happen. Power is a complicated

Banks are not willing to lend to the steel sector?

If the money will not come, plant capacities will not go up, so it has to happen. I hope demand picks up in the country and if margins improve, the steel firms they will automatically want to expand because all the time our minds are working on how to increase the capacities.

Everyone really enjoys doing that. Right now, I think

Wheels India Q4 net rises by 8.4%

SPECIAL CORRESPONDENT CHENNAI

Wheels India reported an increase of 8.4% in its standalone net profit to ₹18.40 crore for the quarter ended March 2017 as against ₹16.97 crore in the year-earlier period...

Non-core areas Mr. Srinivasan said the company would remain focussed on cement and quit other non-core areas.

The company reported 32.10% decline in its standalone net profit to ₹34.28 crore for the fourth quarter ended March 2017, against ₹50.49 crore in the year-earlier period.

The total income increased by 16.12% to ₹1,524.29 crore (₹1,312.60 crore). For the 2016-17 fiscal, net profit stood at ₹173.35 crore (₹29.95 crore). The firm's total income for the fiscal stood at ₹5,794.03 crore (₹4,833.53 crore).

India Cements eyes better capacity utilisation

Firm to focus on cement, quit non-core assets

K.T. JAGANNATHAN CHENNAI

The India Cements Ltd. has decided to focus firmly on improving its capacity utilisation, said N. Srinivasan, vice-chairman and managing director of the company.

Addressing the media here on Monday, Mr. Srinivasan said several initiatives helped the company improve its capacity utilisation in 2016-17.

Capacity utilisation during the year had risen to 70% from 63% in the year-earlier period due to several factors ranging from higher exports to focussed foray into specialty cements.

Higher exports Exports rose to 4.8 lakh tonnes from 3.25 lakh tonnes in the year-earlier period, he said. "Exports will be a very big focus area for us," he added. The company had re-structured its term-debt to the tune of ₹1,100 crore. This



of Trineta Cements and Trishul Concrete Products with The India Cements "has resulted in bringing all cement assets under one roof." The company now had a capacity of 16 million tonnes from eight integrated plants and two grinding units.

'Note ban's social impact not gauged fully'

More data, especially on labour, needed to evaluate policy outcome: World Bank

SPECIAL CORRESPONDENT NEW DELHI

The World Bank said the social impact of demonetisation may have been greater as the informal economy was likely to have been hit especially hard. However, the impact of demonetisation on the informal economy was difficult to measure and greater data availability, especially on labour markets, was needed to better gauge the social impact of such policies, it said.



Hardest hit: Workers in the informal sector would have been affected the most, says the bank. \*SPECIAL ARRANGEMENT

'Statistical issues' In its India Development Update released on Monday, the bank said there were "statistical issues that mask some of the impact of demonetisation on measured economic growth in Q3 (third quarter of 2016-17)." The Centre had on Novem-

40% of (India's) GDP, it employs 90% of workers, and the disproportionate impact of demonetisation on the informal sector suggests it would have affected those workers the most.

However, in the long-term, demonetisation has the potential to accelerate formalisation of the economy. Frederico Gil Sander, senior country economist and the update's main author, said: "Private investment growth continues to face several impediments in the form of excess capacity, regulatory and policy challenges, and corporate debt overhang. However, the recent push to increase infrastructure spending and to accelerate structural reforms will eventually drive a sustained rebound of private investments."

Coal India Q4 profit drops 38% as costs rise

Expenses offset increase in net sales

SPECIAL CORRESPONDENT KOLKATA

Coal India Ltd. (CIL) reported a 38% drop in fourth-quarter consolidated profit to ₹2,716.1 crore, from ₹4,398.4 crore a year earlier, despite a ₹1,891 crore increase in sales to ₹24,032.5 crore.

Total expenses in the quarter ended March rose 23% to ₹22,357.5 crore mainly due to ad hoc provision for salaries and wages of non-executives and executives, rise in provisions for gratuity and superannuation liabilities and also due to provision for grade 'readjustments'.

Full-year profit was ₹9,266 crore, 35% lower than the ₹14,266.8 crore in

2015-16. Net sales (including excise duty) for 2016-17 was flat at ₹81,054.1 crore, versus ₹81,071.7 crore.

CIL said it made a ₹2,101.4 crore provision on account of salary and wages of non-executive employees (pay revision due from July '16) and ₹95.1 crore for executives (pay revision due from January '17). Provision for grade slippage and adjustments was ₹2,043.6 crore, against ₹574.4 crore.

The state-run miner, which has nine subsidiaries and four joint ventures, has about three lakh non-executives and about 18,000 executives on its rolls.

The production target for CIL for FY18 is set at 600 million tonnes.

City Union Bank's Q4 net increases by 15%

Announces 30% dividend, bonus issue

SPECIAL CORRESPONDENT CHENNAI

City Union Bank Ltd. (CUB) reported that fourth-quarter net profit rose 15% to ₹129 crore, from ₹112 crore a year earlier. Standalone net interest income rose 17% in the quarter ended March 31, to ₹311 crore. The bank had posted a net interest income of ₹264 crore in the year-earlier period.

"It is a stable and decent performance of the bank both on growth and efficiency parameters," said N. Kamakodi, managing director and CEO, CUB.

"We expected to end the fiscal 2016-17 with 15% to 17% growth. However, we closed it with double digit (13%) growth, while the industry posted single digit



growth. Till September, we were posting 16% growth. But, we witnessed a de-growth in the third quarter due to demonetisation," he said. The board declared a dividend of 30% for the year ended March 31, 2017. The bank also decided to issue bonus shares.

CSIR-NATIONAL INSTITUTE FOR INTERDISCIPLINARY SCIENCE & TECHNOLOGY... NOTICE INVITING TENDER... The Director, CSIR-NIIST, Trivandrum-19 invites Sealed Tenders under Two Bid System from IMPORTERS/AUTHORISED INDIAN AGENTS / MANUFACTURERS for the supply, installation/erection and commissioning of the following Equipments:-

EMPLOYEES' STATE INSURANCE CORPORATION MEDICAL COLLEGE, KALABURAGI... TENDER FOR SUPPLY OF EQUIPMENTS REQUIRED FOR DEPARTMENT OF RADIOLOGY ESIC MEDICAL COLLEGE & HOSPITAL, KALABURAGI.

Oil and Natural Gas Corporation Ltd. CAUVERY ASSET, KARAİKAL TENDER NOTICE GM-I/c MM, ONGC, Cauvery Asset, Karaikal invites e-bids LOCAL COMPETITIVE BIDDING (LCB) UNDER TWO BID SYSTEM as per details given below:-

KARNATAKA URBAN WATER SUPPLY AND DRAINAGE BOARD... TENDER NOTIFICATION (Through e-Procurement Portal only)

RAJAHMUNDRY ASSET, RAJAHMUNDRY (A.P.) Incharge MM invites sealed bids as per details given below: Tender No.: K11DC17013 e-tender: Brief Description: For supply of Flame proof fittings...

Bhubaneswar Smart City Limited Block-1, 2nd Floor, BMC Bhawani Mall, Sahed Nagar, Bhubaneswar-751007... INVITATION FOR BIDS (IFB) - "e" Procurement Notice