



A visitor looks at a motorbike at a booth during the China Import and Export Fair, also known as Canton Fair, in the southern city of Guangzhou, China—REUTERS

DoT awaits FDI clearance for Idea to approve merger with Vodafone: Sources

NEW DELHI, APRIL 15 /- DoT is waiting for DIPP to give clearance for raising the foreign direct investment (FDI) limit in Idea Cellular to 100 per cent before approving the merger of Vodafone India with the Aditya Birla group firm, as per official sources.

"Only FDI clearance for Idea is pending before merger of Vodafone (India) with its FDI limit needs to be raised in FDI for clearing both the deals of Idea - sale of tower to AT&T and Vodafone merger," a government official told PTL. Idea Cellular has sought to raise FDI limit in the company to 100 per cent. The official added that the

Department of Telecom (DoT) had approached the Department of Industrial Policy and Promotion (DIPP) for FDI clearance in telecom sector also requires approval from the Home Ministry which should be granted within six weeks. In case it is unable to provide its comment within six weeks, it needs to indicate time frame within which it will provide the comments. The merged Idea-Vodafone entity will have highest subscriber base of 410 million accounting for over 35 per cent market share and second largest spectrum holding of 1,850 megahertz in the country. The merger is expected to be completed in a few weeks, it is presumed that ministries or

departments have no comments to offer. However, FDI clearance in telecom sector also requires approval from the Home Ministry which should be granted within six weeks. In case it is unable to provide its comment within six weeks, it needs to indicate time frame within which it will provide the comments. The merged Idea-Vodafone entity will have highest subscriber base of 410 million accounting for over 35 per cent market share and second largest spectrum holding of 1,850 megahertz in the country. The merger is expected to be completed in a few weeks, it is presumed that ministries or

telecom market with highest number of subscriber base at least since last one decade as per reports of the Telecom Regulatory Authority of India.

The debt of resultant entity is expected to be around 1.1 lakh crore as per debt situation of Idea and Vodafone India at the end of September 2017. The amalgamation will result in capex synergies, since it will eliminate the duplication of spectrum capacity and infrastructure related requirements. Idea and Vodafone are separately paying rental for 6,300 mobile sites which will be synced for merged entity within two years.

India seeks China's help for speeding up of Bangalore-Chennai rail corridor

BEIJING, APRIL 15 /- India has sought China's assistance to speed up Bangalore-Chennai railway corridor besides redevelopment of Agra and Jhansi railway stations, a senior Indian official said on Sunday.

The proposal was made at the Strategic Economic Dialogue (SED) held here between the two countries.

"We offered them speeding up of Bangalore-Chennai railway corridor, NITI Aayog Vice Chairman Rajiv Kumar said on Sunday. The SED was held between delegations headed by Kumar and Han Lifeng, the chairman of China's National Development and Reform Commission (NDRC). The proposal was made for increasing the speed of the corridor to 150 kmph. India previously made a proposal to China for the redevelopment of Agra and Jhansi railway station. It has been re-emphasised at yesterday's talks, officials said. The Chinese side will respond after considering the proposals, they said. Kumar said it was pointed out to the Chinese side that the railway station development plan is a big one involving about 600 of them. They can bid for any of them, he said. However, there was no discussion in the just concluded SED about the collaboration to build high speed trains by Japan. China has the world's longest high-speed rail network, with 22,000 kms within the country linking various top cities.

Telcos to report subdued Q4 nos as Rjio pressure continues: Report

MUMBAI, APRIL 15 /- The battered telecom sector companies will be reporting another set of subdued numbers for the January-March quarter, with revenues likely to show a correction of as much as 10 per cent, analysts have said.

"The competitive intensity in telecom industry further intensified since January 2018 after the new entrant started passing on the benefits of cut in interconnect usage charges to customers through lower tariffs," largest ratings agency Crisil said in a report. It said the revenue is expected to fall by up to 40 per cent due to "heightened competitive intensity" and added that factors like pullout of Reliance Communication from 2G services and efforts by the incumbents to retain high data users will be impacting revenue growth. Domestic

Securities said the March quarter performance will mark a weak end to what has been a challenging year.

"Jio pricing moves in the month of January 2018, impact of international termination rate (ITR) cut effective February 1, 2018, and continued ARPU downtrading are likely to reflect in another quarter of sharp sequential revenue decline for the incumbents," it said. It can be noted that the aggressive play by the cash rich Reliance-Jio in the segment has led to massive pain among the incumbents, and led to a slew of corporate actions including exits and almost forced mergers and acquisitions. Reliance and Vodafone, the third and the second largest operators, respectively, are in the final stage of getting regulatory go-ahead to merge, while others like RCom have virtually retreated.

brokerage Motilal Oswal said there is a "lack of earnings visibility" in the sector and estimated that the largest telco Airtel will report a 80 per cent decline in profits, while third largest operator Idea Cellular losses will be elevated. Its peer Emkay Global Financial Services estimated a 10.1 per cent decline in sales for the telecom sector on a year-on-year basis during the March quarter, while the pretax margins will contract by 2.40 per cent. Kotak

BalmerLawrie looking at organic growth across businesses

KOLKATA, APRIL 15 /- Diversified PSU Balmer Lawrie & Co Ltd is eyeing organic growth across all its six strategic business units (SBUs), a top company official said.

"We are looking at organic growth in SBUs as inorganic growth was not possible as funds available for buy-outs were limited," Chairman and Managing Director Prabal Basu said. The company was facing challenges at the Kolkata plant of industrial packaging (IP), owing to lack of demand from the private sector as government orders were restricted only to the MSMEs, and not the PSUs. Basu told PTL that the net worth of the company was Rs 1,000 crore and only 15 per cent of that could be used for funding organic growth. The amount of Rs 150 crore was little for buy-outs," he said. Almost a debt-free company, Balmer Lawrie was also not too keen on leveraging, Basu said. "At present, all the SBUs were on growth path. We are not planning to acquire any one IP plant (steel drums) at Gujarat at a cost of Rs 25 crore to Rs 30 crore," he said. The amalgamation will result in capex synergies, since it will eliminate the duplication of spectrum capacity and infrastructure related requirements. Idea and Vodafone are separately paying rental for 6,300 mobile sites which will be synced for merged entity within two years.

Govt to auction 19 coal mines this quarter: Secy

NEW DELHI, APRIL 15 /- After the cancellation of coal mines auction twice, the Union government is exploring a top priority to relaxations for bidders and plans to put on sale 19 blocks in the current quarter, a top official has said. The government had last year annulled the fifth round of auction on account of poor response from bidders.

"Yes we are wanting to do the next round of coal block auction. This is probably the right time," Coal Secretary Sushel Kumar told PTL. "So in this quarter, it (coal) auction should happen," he added. Of the 19 blocks to go under the hammer, 6 have been already auctioned while the remaining 13 mines are for non-regulated



Coal India Director (Technical) Binay Dey

that this round of auctions succeed subject to obviously adequate competition and adequate transparency. Those are non-negotiable principles. So subject to that if we can give some relaxations so that there are more bidders. That's what we are exploring." The fifth round of coal blocks auction was annulled last year in the absence of good response from the bidders as the steel industry was not in a good shape.

In December 2015, the government had annulled the fourth round of coal mine auctions planned for January 2016 on account of tepid response from bidders in sectors such as steel besides depressed commodity prices and adverse market conditions.

Coal India CBM roadmap hinges on techno-feasibility report

KOLKATA, APRIL 15 /- The Coal Bed Methane (CBM) project roadmap for Coal India Ltd will be based on a detailed techno-feasibility study, and the process for hiring consultants is expected to commence soon, a top official of the state-owned miner has said.

A broad study is being done by Central Mine Planning and Design Institute (CMPDI). Expert consultants will be engaged through a global tender for a detailed techno-feasibility study. Based on the reports, both CMPDI and Coal India will have a more clear idea on the most feasible business model for exploration, production and marketing," Coal India Director (Technical) Binay Dey told PTL. He expressed satisfaction on the Cabinet nod for exploration and exploitation of CBM from areas under Coal Mining Lease (CML) under its subsidiary Bharat Coking Coal Ltd. Initially out of the two blocks it had been offered on a nomination basis. According to estimates, Rs 3,000 crore investment is required for the development of the field. The Raniganj block is owned by Eastern Coalfields, another CIL subsidiary The Jharia block is

estimated to hold reserves of 25 billion cubic metres and the Raniganj block around 3 billion cubic metres of CBM. The government had earlier said that domestic coal could be used as feedstock for producing urea and other chemicals, which can help restrict the country's import bill by USD 10 billion in five years and reduce carbon emission. CBM is a form of natural gas trapped in coal seams underground, and is usually extracted by drilling the seam.



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UAE based biz group seeks Rs 10k-cr Investment in Andhra

DUBAI, APRIL 15 /- The UAE-based business leaders forum (BLF) has sought investments of up to Rs 10,000 crore in Andhra Pradesh with the partnership of the state government to work in avenues such as food park.

The BLF and India Trade & Exhibition Centre me (ITEC) signed a joint venture agreement of Understanding (MoUs) with the Andhra Pradesh Economic Development Board (APEDB). The agreement is to work in Hyderabad in the presence of Andhra Pradesh Chief Minister N Chandrababu Naidu, who has secured investment of up to Rs 12.50 billion. The BLF is a joint initiative by the UAE Ministry of Economy, Indian Embassy in Abu Dhabi and Indian Consulate in Dubai to boost cross-border investment. "We are looking at a sizeable project that could require investment of up to Rs 10,000 crore in

which the state government would be a possible partner. We are looking at a possible food park, a medical city, large infrastructure project, among other avenues," Dr Ram Buxani, President of BLF, said. The ITEC represented by its Director General Sri Priyaa Kumaria, has signed an MoU with the APEDB to provide employment to 1,000 skilled people from Andhra Pradesh in the UAE by engaging with the UAE's employers and help boost two-way investment between Andhra Pradesh and the UAE. The BLF recently led a 10-member investment delegation to the Indian state of Andhra Pradesh to explore new investment opportunities in partnership with the state government in key economic sectors, including health, education, manufacturing food services, information technology and infrastructure. The delegation, mostly comprising NRI investors and businessmen, met Naidu and

discussed ways to facilitate investment from the UAE to Andhra Pradesh. The move is part of the annual mega business conference India-UAE Partnership Summit that was launched last year. Its second edition will be held from October 30-31, 2018.

"I am pleased to announce the signing of two important MoUs with Andhra Pradesh Government that will form the basis of our future cooperation and continuous engagement to boost investment," Buxani said. The signing of MoUs comes weeks after the Andhra Pradesh government signed a USD 4.62 billion investment agreement with Emirates Airline to develop a large maintenance, repair and overhaul (MRO) facility in October 2017. Naidu witnessed the signing of two MoUs with as many UAE business groups which collectively committed to invest USD 7.5 billion in the state.

Nirav Modi scam: ICAI sends notices to statutory auditors of Brady House branch

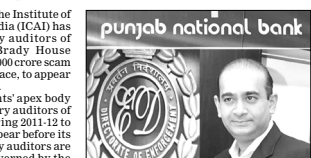
MUMBAI, APRIL 15 /- The Institute of Chartered Accountants of India (ICAI) has sent notices to all statutory auditors of Punjab National Bank's Brady House branch, where the over Rs 13,000 crore scam involving Nirav Modi took place, to appear before its disciplinary board.

The chartered accountants' apex body has made a list of the statutory auditors of the Brady House branch during 2011-12 to 2016-17, and asked them to appear before its Board of Discipline. Statutory auditors are members of ICAI and are governed by the apex body. "ICAI has issued notices to statutory auditors of the Brady House branch under the Chartered Account Act, 1939, to appear before Board of Discipline and offer an explanation," ICAI member SB Zaware told PTL. Eight statutory auditors, who had audited the lender's Brady House branch in Mumbai during the period, have been issued notices. This is a primary investigation and the board wants to ascertain whether the auditors were at fault.

"At this point, we cannot say that statutory auditors are guilty. After the auditors appear before the Board and answer questions, it when we will be able to determine their role in the fraud, if any," Zaware added. In February, this year, the second largest public sector bank PNB had detected fraudulent transactions at the Brady House branch. The biggest ever banking fraud of more than Rs 13,000 crore was allegedly committed by billionaire entrepreneur Nirav Modi and his uncle Mehul Choksi in connivance with some PNB

officials. Following the disclosure of the fraud by PNB, ICAI had formed a high-level group to study systemic issues involved in the scam. The group after completion of its study, will also suggest remedial measures for strengthening the banking system. Zaware said the 10-member group had to seek government's intervention after PNB refused to co-operate with the panel in providing information required to complete its report.

PNB was issued a letter by Ministry of Corporate Affairs and Ministry of Finance to disclose information to the group. The high-powered group, however, is yet to get information from the bank. Zaware, who is also the convener of the committee, said, in its preliminary conclusions, based on available information, the panel found out all possible lapses on part of the lender. Lapses in corporate governance and concurrent audit work as well as failure to take sufficient precautionary measures are among the factors flagged by the high-level panel.



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News in Brief

AI's Delhi-Durgapur direct service
KOLKATA, APRIL 15 /- National carrier Air India today resumed its direct flight linking Delhi and Durgapur in West Bengal with Delhi after a gap of nearly 22 months. AI sources said here. The flight AI-756, a 122-seater Airbus A319 aircraft, left Durgapur at 0825 hrs and arrived in Delhi at 1035 hrs. It had earlier originated from Delhi at 0550 hrs and landed at Durgapur at 0750 hrs. There was full occupancy both ways, the AI sources said.

Blackberrys aim
NEW DELHI, APRIL 15 /- Menswear brand Blackberrys aims to grow over 60 per cent in two years to register Rs 1,500 crore turnover by 2020, a top company official. The Bangalore-based menswear brand is expanding its sales network, said a top company official. Blackberrys Causals and 100 new stores this fiscal.

India can play major role in shaping global 4th industrial revolution: WEF

NEW DELHI, APRIL 15 /- India is well positioned to play a key role in shaping the global fourth industrial revolution with a young labour force, a large English speaking population and the second largest numbers of internet users, top WEF official said.

But, the country will need access to infrastructure, electricity, and stability in monetary and interest of things, said Economic Forum (WEF) President Borge Brende told PTL here. Fourth industrial revolution - a technological revolution through artificial intelligence, blockchains and Internet of Things - is changing the scale, scope and complexity of the opportunities and challenges people face today. "India can play a major role in shaping the global fourth industrial revolution as more than half of India's population is under the age of 27. Besides, the country has the world's largest English speaking population as well



WEF President Borge Brende

as the second largest number of internet users on mobile devices," the president said. However, the country is lagging behind when it comes to skills and education, he added.

According to Brende, India can lead the fourth industrial revolution and simultaneously enhance the quality, equity and sustainability of its own growth and development. The WEF has already partnered with the Indian government to set up the Centre for the Fourth Industrial Revolution India in Mumbai. "The centre will become operational in the second half of this year," Brende noted. It will work to accelerate the development and implementation of governance protocols for emerging science and technology to serve citizens and the public at large.

The forum has identified India as a partner since it is a key economic, political and social partner of the 21st century's global, regional and industry systems.