

## Corporate Snapshot: INDIA & GLOBAL

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- Amul inks MoU with ISRO for fodder acreage estimation
- Nestle India to reduce salt content in Maggi
- Indian companies created over 1.7 lakh local jobs, Apac nations told
- Blatant irregularities hastened Air India's downfall
- Niti Aayog pushes for sale of Air India, Rs 30,000cr debt write-off
- Domestic med devices hit by cheap imports
- Apollo Hospitals revenues cross \$1 billion in Fy17
- Adani Australian coal project back on track with royalty deal
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### United Spirits to start selling 13 properties owned by Mallya

United Spirits (USL) plans to sell 13 properties earlier owned by Vijay Mallya as its former chairman failed to buy it within a given time period.



As a part of the agreement, the beleaguered liquor baron or a party nominated by him would have a limited period option to buy up to thirteen non-core properties from the company.

If Mallya or his nominee chose to acquire any or all of these 13 properties, the prices would have been based on an independent valuer's assessment fair market value, with a 10% discount for three properties in Mumbai, Goa and New Delhi. The company also has reported a loss for its fourth quarter, compared to a small profit, a year earlier hurt by the impact of exceptional items.

### Amul inks MoU with ISRO for fodder acreage estimation

'Amul' owner Gujarat Cooperative Milk Marketing Federation (GCMMF) has signed an agreement with ISRO for fodder acreage assessment using satellite observation and space technology.



Under the Memorandum of Understanding (MoU), ISRO will help in identification between food crops and fodder crops at village level and also locate suitable areas of current fallows and cultivable wastelands at village level for green fodder cultivation. Amul and Space Applications Centre (SAC), ISRO, had earlier carried out a joint pilot, to

assess green fodder availability for dairy livestock at district and village level through remote sensing is feasible.

### **Nestle India to reduce salt content in Maggi**

Nestle India is reducing the salt content of Maggi, as the food giant looks to join the ranks of companies that are trying to develop healthier products. Nestle will cut salt in Maggi products - noodles, soups, sauces and seasonings - by a further 10% by 2020.



### **Indian companies created over 1.7 lakh local jobs, Apac nations told**

Amid tightening visa rules across the globe, Indian companies have created at least 1.71 lakh local jobs in nine countries with very few Indians requiring work permits. The issue was flagged recently with countries negotiating the Regional Comprehensive Economic Partnership (RCEP) agreement, including China, Japan, South Korea, Australia, New Zealand and Asean nations.



Representatives of companies operating in the Philippines came out that Indian IT firms had created close to 60,000 local jobs but needed only 1,500-

2,000 work permits.

### **Blatant irregularities hastened Air India's downfall**

The Central Bureau of Investigation's three FIRs in the 'Air India scam' which took place during the UPA regime have alleged blatant irregularities which hastened the downfall of the national carrier.

As reported in the FIRs the civil aviation ministry had decided to purchase 111 aircraft for Air India costing about Rs 70,000 crore at a time when the airline was showing a profit of about Rs 100 crore and didn't have the capacity to purchase even a few aircraft. Due to this particular decision, the airline immediately went into huge losses.



The FIRs mention an internal Air India report of 2000-01 which suggested that the airline should only lease aircraft and not go for purchase. The view was overruled by the aviation ministry.

NACIL (National Aviation Company of India Ltd), incorporated to merge Indian Airlines and Air India, had an equity base of only Rs 145 crore, yet it made a commitment to pay Rs 44,000 crore for procuring 111 new aircraft.

### **Niti Aayog pushes for sale of Air India, Rs 30,000cr debt write-off**

Niti Aayog, has recommended strategic disinvestment of loss-making Air India to stop sinking of more money into the airline.

Niti Aayog's fourth report, has detailed a possible roadmap for Air India disinvestment, which includes

writing off loans to the tune of Rs 30,000 crore . AI has debt of around Rs 60,000 crore, which includes around Rs 21,000 crore of aircraft-related loans and around Rs 8,000 crore working capital.



### Domestic med devices hit by cheap imports

The domestic medical devices industry which offers cardiac stents, electro-cardiograms, ultrasound machines, heart valves and newborn screening kits is facing an onslaught of low-priced Chinese imports. On the other hand , it is also being beaten by restrictive conditions on "perceived quality" in government and institutional tenders for procurement of these medical devices and electronics.



The medical tech and devices industry has doubled from Rs 31,900 crore in 2013-14 to over Rs 60,000 crore in 2016, with nearly 80% being imported, according to Association of Indian Medical Device Industry (AIMED). With this huge influx of imports, domestic companies are reeling under the threat of Chinese manufacturers who are dumping products

that are 30-40% cheaper. The industry which makes ultrasound equipment, patient monitors, ICU ventilators, chemistry analysers and reagents to even syringes is being hit by Chinese imports.

### Apollo Hospitals revenues cross \$1 billion in FY17

The consolidated revenues of Apollo Hospitals have crossed the \$1 billion mark in 2016-17 jumping 17% year-on-year to Rs. 7255 crore. Profit after tax (PAT) however declined 7.2% y-o-y to Rs. 216 crore during the year.



Consolidated revenues have increased 15% y-o-y to Rs. 1833 crore during the fourth quarter (Q4) of 2016-17. PAT surged 189% y-o-y to Rs. 55.5 crore during Q4.

### Adani Australian coal project back on track with royalty deal

Adani Australia, part of the Ahmedabad-based Adani group, has reached an agreement with the Queensland provincial government on royalty payments to put the company's \$16.5-billion Carmichael coal project back on track.



The agreement, coming close on the heels of the State Cabinet's approval, shows a "strong commitment" by the Queensland administration. The board of the parent Adani group will consider the final investment decision at its next meeting.

The Carmichael project, located in the Galilee Basin, has been unsuccessfully challenged in courts by environmental groups. It involves production of 25 million tonnes of coal a year in the first phase and construction of a 388-kms standard gauge rail line on the principle of common carrier. Peak production is projected at 60 million tonne per year.

### **Cox & Kings Forex arm to be separate company**

The board of Cox & Kings Ltd (C&K) has approved the demerger of its foreign exchange division into a separate financial services company to be named Cox & Kings Financial Service Ltd. (CKFSL). The demerger will be effective from April 1, 2017, and is subject to High Court and other regulatory approvals.



With a view to enable the Forex business to capitalize on growth opportunities in an independent manner, C&K has been decided to demerge the business into a separate company.

### **GST to boost growth, says World Bank**

The economy will grow 7.2% in 2017-18 and 7.7% in 2019-2020 and implementation of the goods and services tax (GST) will provide a big boost to overall economic growth and revenues.



According to Junaid Ahmad, World Bank country director in India, the GST would reduce the cost of doing business for firms, reduce logistics costs of moving goods across states, while ensuring no loss in equity.

### **Flipkart's COO quits; Krishnamurthy's grip tightens**

Flipkart's chief operating officer Nitin Seth, who was in charge of logistics unit Ekart besides corporate functions like strategy and human resources (HR), is leaving the organization citing personal reasons.

The development will further tighten the grip of CEO Kalyan Krishnamurthy, who last week took over the HR function.

