

IN BRIEF



TCS shareholders approve buy-back
NEW DELHI
IT major TCS on Monday said its shareholders have approved a ₹16,000 crore share buy-back plan. The buyback programme, which was passed through a special resolution, saw 99.81% of the total number of valid votes being cast in favour of the proposal, the firm said in a regulatory filing. The proposed shares under the buyback represent 2.85% of the total paid up equity share capital at ₹2,850 a share. PTI

CAD to widen to 1.6% of GDP in 2017: Nomura
NEW DELHI
India's current account deficit (CAD) is expected to widen to 1.6 % of GDP this year from 0.5 % in 2016, owing to higher commodity prices and an expected strong domestic recovery, says a Nomura report. Stronger global demand and higher export prices are driving exports recovery, while the recovery in imports reflect higher commodity prices and likely improvement in domestic demand, the report said. PTI

Exfinity invests in AI firm Absentia VR
BENGALURU
Exfinity Venture Partners, a venture capital firm headed by IT industry veterans V. Balakrishnan, T.V. Mohandas Pai, Deepak Ghaisas and Girish Paranjpe, has led a financing round of ₹8 crore in Absentia VR. The Bengaluru-based artificial intelligence (AI) and virtual reality start-up said it is building Norah AI, an engine that aims to create the first-of-its-kind video games with minimal human intervention.

Indiabulls Real Estate eyes demerger

Mulls greater focus on commercial, residential verticals; investors give thumbs up as stock surges 40%

LALATENDU MISHRA
MUMBAI
The board of Indiabulls Real Estate Ltd. (IBREL), at its meeting held on Monday, has considered the possibility of streamlining the existing residential, commercial and leasing business of the company.
There is a proposal for either segregation of commercial real estate and leasing business of the company into a separate holding company called Indiabulls Commercial Assets Ltd. (IBCAL) or reorganising the existing businesses by way of a demerger of the company on a going concern basis.

New entity listing
Post demerger, the residential business will stay with IBREL while the commercial and leasing business will go to the new company which would be listed on the stock exchanges.
The objective of this exercise is to bring greater focus



Aiming high: Post demerger, IBREL will hold the residential business, and the new commercial unit would be listed.

on each of the businesses, the company said.
“The commercial and leasing business vertical to be created under IBCAL as a separate holding company, in case of restructuring will seek listing,” IBREL said in a filing with the stock exchanges. “It will undertake

property. The board has constituted a restructuring committee to consider, examine and evaluate the feasibility of the options for the proposal. Based on the recommendation of the committee, the board would take the appropriate decision at a later date, it said.
Post restructuring, IBCAL will have a networth of ₹2,311 crore and net debt of ₹3,950 crore. In 2017-18, it will earn an annuity revenue of ₹692 crore which is projected to grow to ₹1,357 crore in 2020-21, the company said.
The net debt of the new company will be reduced over the medium to long term with income from annuities.
“We believe this model will provide cheaper of capital to fund the expansion of business after 2020-21,” the company said in a presentation.
After restructuring, IBREL will have a networth of ₹2,380 crore and net debt of

₹4,395 crore which is projected to be reduced and be capped at ₹2,000 crore in the next 12 to 18 months. This company will have 17 residential project including the Blu project at Worli in Mumbai.
Foreign investor
“Indiabulls will also be looking at getting a foreign investor or PE fund to participate in the equity of IBCAL,” said Abhishek Lodhiya, Senior Equity Analyst, Angel Broking.
“Most large global investors have preferred to participate in the commercial and leasing market in India as the retail space has been going through a very sluggish phase with tepid demand. Markets are expecting value discovery for Indiabulls Real Estate through this move,” he said.
The company's stock reacted positively to this development and rose 39.96% to close at ₹148.15 on the BSE.

Mixed bag			
The new third-party insurance premium rates notified by the IRDAI appear to be a mixed bag with a transporter's body describing the rates as high and an insurer saying the increase is not enough			
Vehicle class	2016-17	Proposed on March 5	Notified rate
Private cars:			
Below 1000 cc	2,055	2,055	2,055
1000 - 1500 cc	2,237	3,355	2,863
Above 1500 cc	6,164	9,246	7,890
Two wheelers:			
Below 75 cc	569	569	569
75 cc-150 cc	619	720	720
150-350 cc	693	978	887
Above 350 cc	796	1,194	1,019

SOURCE: IRDAI

IRDAI sweetens the pill for vehicle owners

Hike in premium less than proposed

N. RAVI KUMAR
HYDERABAD
Insurance regulator IRDAI notified revised third party motor insurance premium rates for 2017-18 that are higher compared with those in the previous fiscal for most categories of vehicles but lower than what it had proposed.
The order on the revised rates, to apply retrospectively with effect from April 1, came after a truckers strike earlier this month, in south India and an apex national body of transporters threatening to follow suit.
The revision, however, seems to have not gone down well with both the transporter community and the insurers.
All India Motor Transport Congress leader R.Sukumar viewed this as a victory for the protests even while pointing out that the rates were still high.
‘Not enough’
Head-Product Development of SBI General Insurance Puneet Sahni said IRDAI had settled for an increase of 27-28% increase in premium which was not enough to cover the losses incurred by the insurers due to higher compensation outgo.
On March 3, the Insurance Regulatory and Development Authority of India (IRDAI) unveiled an exposure draft, suggesting an about 50% increase in the premium for many vehicles. Based on stakeholders' comments, it moderated the rates towards the end of the month.
Compared with its draft, the regulator had either stuck to the existing rate or moderated its proposed rates for various categories of goods carrying vehicles.
Private cars
As per Monday's notification, for private cars with engine capacity between 1,000 cc and 1500 cc, the cover will cost ₹2,863. This is almost 28% more compared with the previous year's ₹2,237.
For private cars above 1500 cc, the rate will be ₹7,890 against ₹6,164 in 2016-17.
However, there will be no change in the premium payable for cars below 1000 cc.
The premium remains the same for two-wheelers of upto 150 cc. For those in the 150-300 cc category, it had been increased to ₹887.

Reliance Defence, S. Korean major in pact

Firms to supply wares to the Army

SPECIAL CORRESPONDENT
MUMBAI
Anil Ambani-led Reliance Defence has entered into a strategic partnership with leading South Korean defence major LIG Nex1 to jointly explore opportunities in the supply of weaponry and ammunition systems to the Indian Army.
As part of the agreement, both companies will explore opportunities in the identified range of defence products required by the armed forces, according to a company statement.
LIG Nex1 is emerging as a leader in smart heavy weapons in the category of

anti-ship missiles, anti tank guided missiles (ATGMs) and guided rockets, the statement said.
Currently, there are multiple programmes for the Indian armed forces that the two companies plan to address together.
Weapon systems
This will potentially include improvements to the existing weapon systems which are part of LIG Nex1 portfolio to meet the specific requirements of the army.
The cumulative value of the programmes being targeted will exceed many billion dollars.

Exporters’ body seeks aid of Ministry over rupee, steel price

Challenges hard to overcome in competitive market: EEPC

SPECIAL CORRESPONDENT
KOLKATA
EEPC India, the apex body of engineering exporters has approached the Commerce Ministry, saying that a sharp rise of more than 5% in the rupee against the U.S. dollar, along with a big increase in steel prices, is acting as a double whammy for engineering exporters in a highly competitive global market.
“Our members have brought to our notice two recent developments, affecting growth of engineering exports,” said EEPC India Executive Director and Secretary, B. Sarkar in a letter to the Commerce Secretary

Rita Teatota. Sent on April 12, the letter said the Indian currency had appreciated against the U.S. dollar from ₹68 on January 02, 2017 to ₹64.4 on April 10 implying an appreciation of about 5.26% within a span of about three months.
“This sharp appreciation has come together with an increase in Indian steel prices from \$582 per tonne in September 2016 (hot rolled coils) to \$712 per tonne in March 2017,” highlighting an increase of about 22.5% in six months.
Normally, an appreciating rupee would have effected lower domestic prices espe-

cially of raw materials like steel. “However, what we find is a contradictory trend, which is immensely affecting the competitiveness of Indian engineering exports...,” a statement said.
The council has sought urgent attention of the government, as these developments are making it difficult for exporters to face international competition amid protectionist pressures.
“We seek your support in flagging these concerns and urge that engineering exporters be provided steel at the export prices of domestic steel companies”, the EEPC India said.

World Heritage Day

18th April 2017

Indian Customs - protecting India's Cultural Heritage.

Indian Customs seizures in recent months-

- Recovered antique idols, statues made up of stone viz. Budha, Brahmi in sitting posture, stone pillars, Nandi, wood carvings etc. at Chennai.
- 8 antique items belonging to late 17th century to early 19th century at New Delhi.
- A copy of Persian manuscript "Epic of Shahnameh" written by Iranian poet Firdausi Sheraji at Jaipur.
- 41 pieces of antiquities including "Terracotta figurines" from 1st century A.D. bronze figurines of "Mahishasura Mardhini" and "Ganesha", from 17th and 18th century A.D. at Mumbai.
- 539 antique coins belonging to Indo-Greek, Kushana, Lodhi and Mughal periods at Amritsar.

DRI closely interacting with foreign Governments to get back the antiques which have been smuggled out of India-

6 pieces including 5th century "Durga" along with 3 sculptures were brought back from USA to India in March, 2017.

Another 3 major and 123 minor antique pieces are scheduled to return from USA to India in May, 2017.

CBEC remains committed to protecting the rich cultural heritage of our country.

Images of important seizures by Indian Customs

A nation is made, when taxes are paid

Directorate General of Taxpayer Services
CENTRAL BOARD OF EXCISE & CUSTOMS
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