

## IN BRIEF



## RBI nod must for firms to issue masala bonds

MUMBAI  
The Reserve Bank of India on Wednesday said its forex department would henceforth examine proposals of companies before they could issue masala bonds to raise funds from overseas markets. The changes come as part of RBI's norms on external commercial borrowings, trade credit, borrowing and lending in foreign currency. Masala bonds are catching up fast as a source of raising funds. PTI

## PFC expects stressed assets to turn standard

NEW DELHI  
State-run Power Finance Corp. on Wednesday exuded confidence that its stressed assets of ₹59,000 crore would turn standard in the next few years and provisions start tapering off from the second quarter of this fiscal. Higher provisioning for bad loans under revised RBI norms had been one of the reasons for a loss of ₹3,409.49 crore that PFC reported for the quarter ended on March 31, 2017. PTI

## iVoomi plans ₹250 crore phone factory in India

NEW DELHI  
Chinese smartphone maker iVoomi plans to make phones in India with an initial investment of ₹250 crore and export handsets to countries like China, Taiwan and Korea. The company expects to have its manufacturing facility in the country by the first quarter of 2018. "We will initially have our phone assembled at two plants in India. We are in talks with Foxconn and VSun," iVoomi India CEO Ashwin Bhandari said. PTI

# GMR Infra arm bags €850 mn Crete airport project in Greece

To develop, operate and manage a new international airport on the Greek island

SPECIAL CORRESPONDENT  
HYDERABAD

GMR Infrastructure subsidiary GMR Airports Ltd., in partnership with Greek infrastructure firm Terna S.A., has bagged a project to develop, operate and manage the new Kastelli international airport at Heraklion in Greece's Crete island.

GMR will be the designated airport operator in the consortium for the greenfield project. The concession period will be 35 years, including Phase I construction of five years. The scope of the project involves design, construction, financing, operation and maintenance and exploitation of the new Heraklion Crete International Airport.

Announcing that the con-



**Take off:** The new Kastelli Airport, once completed, will replace Heraklion airport, which is facing capacity constraints.

sortium has emerged as the successful bidder, a GMR release on Wednesday said Crete is the largest and the most visited island in Greece. Heraklion airport, in Crete, is the second largest in Greece and has witnessed steady traffic growth in the last 3-4 years.

The airport handles more than six million passengers annually and is facing a capacity constraint.

The new Kastelli Airport, once completed, will replace the Heraklion airport. This will be the GMR group's second foray into Europe after having developed Istan-

bul's Sabiha Gokcen airport. GMR Airports president Sidharath Kapur said, "Having been selected, we expect to complete necessary documentation and concession signing over the next few months."

GMR Airports Business chairman Srinivas Bommidala said GMR would participate in project and commercial management in addition to airport operations. In India, GMR has developed and operates international airports in New Delhi and Hyderabad.

## Construction cost

The construction cost is estimated by the Greek ministry of infrastructure at about €850 million. (With PTI inputs)

## 'GST may not raise paint prices much'

SPECIAL CORRESPONDENT  
KOLKATA

The imminent roll-out of the Goods and Services Tax (GST) is unlikely to bring in either higher prices for consumers or result in any major supply disruption, said Abhijit Roy, the new president of the Indian Paint Association.

Addressing a press meet here, he said that while the industry pitched for 18%, the rate had been pegged at 28% for the paints industry, except for powder coatings (a speciality paint used on household appliances, gadgets and also automobiles), which would attract 18%. The present taxation rates are a tad higher, he said.

It would be a loss to all if some States failed to roll out the new indirect tax system in tandem, he said.

## Piramal lends ₹650 cr. to Embassy Group

Exposure to group touches ₹1,010 cr.

SPECIAL CORRESPONDENT  
MUMBAI

Piramal Finance Ltd., a subsidiary of Piramal Enterprises Ltd., has provided ₹650 crore as growth capital to real estate major Embassy Group, the company announced on Wednesday.

Six months ago, the company had funded ₹360 crore towards Embassy Residences in Chennai, a premium residential project. With this, Piramal Finance's exposure to Embassy Group is estimated at ₹1,010 crore.

Khushru Jijina, Managing Director, Piramal Finance Ltd., said: "We have extended our relationship with the Embassy Group and look forward to a long and mutually beneficial association. We are happy to provide them with custom-



Khushru Jijina

ised financial solutions as they scale up their presence across both residential and commercial."

Jitu Virwani, CMD, Embassy Group, said: "Piramal Group is known for their structuring capabilities and quick turnaround time. We look forward to leveraging their capabilities as we partner with them on our growth capital requirements."

## Demand for frozen seafood lifts exports

Shrimp stays on top of the menu

SPECIAL CORRESPONDENT  
KOCHI

Robust demand for frozen shrimp and frozen fish helped Indian seafood exports touch 11,34,948 tonnes worth \$5.78 billion (₹37, 870.90 crore) during 2016-17. This compares well with the previous financial year when seafood exports stood at 9,45,892 tonnes worth \$4.69 billion.

According to a press release from the Marine Products Export Development Authority, the U.S. and South East Asia continue to be the major importers, while the demand in EU countries grew substantially during last year.

Frozen shrimp is the top item of export, accounting

for 38.28% in quantity and 64.50% in earnings in dollar terms. Shrimp exports increased 16.21% in quantity and 20.33% in dollar terms.

Frozen fish exports grew 26.92% in value terms during the year. It is the second largest export item, accounting for 26.15% in quantity and 11.64% in dollar earnings. The U.S. accounted for nearly 30% of the imports in dollar terms.

South East Asia, with a share of 29.91% in dollar terms, remained the second largest destination for India's seafood products. It was followed by the EU (17.98%), Japan (6.83%), Middle East (4.78%), China (3.50%) and other countries (7.03%).

## Elgi eyes M&As for market share

SPECIAL CORRESPONDENT  
CHENNAI

Elgi Equipments Ltd. has drawn up aggressive plans to become the number two in the global air compressor market in 10 years, mostly through inorganic growth, said a top official.

"We aspire to become the number two firm in the global air compressor market by 2027 by acquiring overseas distributors and setting up assembly lines in the U.S., to increase our market share," said Jay Varadaraj, managing director, Elgi Equipments.

Elgi has identified about 25 distributors in the U.S. and Europe. It is yet to initiate talks with them, he said. The company has set aside ₹5,000 crore for the purpose.

## Mulling third manufacturing plant in India, says Xiaomi

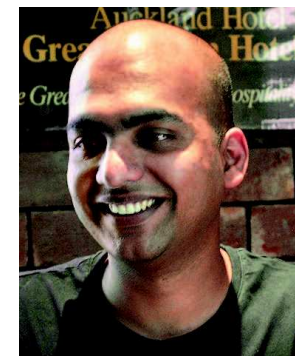
New unit to make fitness bands, power banks, routers

SPECIAL CORRESPONDENT  
CHENNAI

The Indian arm of Chinese handset maker Xiaomi Technology India Pvt. Ltd. may soon start exploring the possibility of setting up its third manufacturing plant in India, said a top official.

"Right now, we are producing one phone per second at two manufacturing facilities of Foxconn in Sri City, Andhra Pradesh, and we have to ramp it up further," said Manu Kumar Jain, managing director, Xiaomi India.

"We have not yet decided on the third plant. Going by the growth rate, we have to think about the third manufacturing unit. We have to talk to our partners and to a few state governments in-



Manu Kumar Jain

cluding Andhra Pradesh. The first two plants are making only handsets. The new unit would produce fitness bands, power banks, air compressors and routers, among other things," Mr. Jain said.

Explaining the rationale behind the move, he said in the quarter ended March 2017, Xiaomi sold 3.8-3.9 million phones compared with one million phones in the corresponding quarter of the previous year.

## Eyes doubling revenue

Last year, Xiaomi India clocked sales income of \$1 billion with 150 people and this year, it aspires to touch \$2 billion with 225 people.

"It is not a sales target... We are already a leader in the online segment with 41% market share and we rank second in combined sales with 14% market share. We are doubling efforts in India to become the top seller," Mr. Jain said.

## Noida belt development plan mooted

SPECIAL CORRESPONDENT  
NEW DELHI

With more than 40% of new mobile manufacturing units being set up in Noida and Greater Noida cities of U.P. in the past three years, Electronics and IT Minister Ravi Shankar Prasad on Wednesday pitched for the development of the two cities on the lines of 'Singapore'.

The Korean electronics giant announced that it would invest ₹4,195 crore to add capacity at its plant in Noida, where it manufactures smartphones, refrigerators and flat panel televisions. The company said the investment proposal was approved by the Uttar Pradesh government under its Mega Policy.

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